NOTICE OF INTENTION TO SOLICIT

To Appeal or Solicit for Charitable Purposes in the UNINCORPORATED Areas of the COUNTY OF LOS ANGELES

BUSINESS LICENSE COMMISSION

374 Kenneth Hahn Hall of Administration 500 West Temple Street, Los Angeles CA 90012 Telephone: (213) 974-7691 COMMISSION SER 2016 OCT 13 PM

ALL QUESTIONS MUST BE ANSWERED, PLEASE TYPE OR PRINT.

(Los Angeles County Code, Volume 3, Title 7, Chapter 7-24 requires that this Notice of Intention to be filed <u>at least 30 days prior to beginning your</u> solicitation or advertisement for your fund-raising activity. No advertisement or solicitation may begin until this office has issued an Information Card. "No" or "None" may be written where appropriate on this form. Additional Information may be added on separate sheets; however *do not* add separate sheets in lieu of answering the questions on this form.)

1.	The Humane Society of the United States	When organized: 11/22/1954
	(Full Name of Organization)	Incorporated: 11/22/1954
2.	1255 23rd Street, NW, Suite 450, Washington, DC 20037	Yes No
	(Address: Street, City and Zip Code)	(Daytime Telephone)
3.	G. Thomas Waite, III, 1255 23rd Street, NW, Suite 450, Washington, DC 20037 (Name of Person in Charge of Appeal – Address and Zip Code)	301-258-3014
	dsampson@huma	(Daytime Telephone)
4.	TO CONDUCT OR SOLICIT: General Appeal	(E-mail Address)
	(For annual solicitations indicate General Appeal or	for a specific event include the name of the event
5.	WHERE and WHEN this fund-raising activity will be held: County-Wide	·
6.	Solicitation/Advertisement starts When Issued (Specific date, or when issued)	; ends 12/31/2016 (Last day of specified event)
7.	SPECIFIC Purpose of this Solicitation: Animal Advocacy and Protection	
8.	ANTICIPATED Gross Goal (Before deducting expenses): \$ 400,000 (LOCAL)	\$\frac{36,050,000}{(STATE)} \\$\frac{128,040,000}{(NATIONAL)}
9.	If this solicitation or activity is conducted on behalf of another organizand enclose a copy of a letter of authorization from organization(s)	zation, give its name and address
10.	Solicitation/Advertisement to be made by means of (indicate by charge) () Volunteer Solicitors () Box Office Sales () Posters () Paid Solicitors () Telephone () Newspare () Personal Approach () Radio/Television () Mail Other methods (specify):	necking below): () Bulletins
11.	Admission: \$ 0 Tickets 0 Invitations 0 SPECIFY PER PERSON	No. Printed 0 Numbered 0
	PER COUPLE []	
	Selling prices: (Ads, cookies, etc.) Cost of Carnival	Tickets:
	Games: Rides:	

12. Itemized list of ANTICI	PATED expenses to be	incurred in conducting this	solicitation <u>only:</u>				
Salaries 35,600		Printing Advertisement	10.100				
		_					
Managara		Prizes					
Promoters		Cost of Merchandise					
		Refreshments/Meals					
retepriorie		ANTICIPATED TOTAL	\$ 98,500				
	<u>K ALL PERCENTAGES I</u>	DOWN TO THE NEAREST T	<u>TENTH.</u>				
	ent (anticipated) of gross	contributions for expenses	- 10				
b. 75% Perce	ent (anticipated) of gross	s contributions to be used	0. 12) as specified in application				
(subt	act percent for expense	s 13. a from 100%)	as specified in application				
c ^{100%} Perce	ent of the proceeds to be	used outside of Los Angele	s County and specify where				
it will	be used (If applicable)	5	,				
14. I the signer of this Noti	ce of Intention, attach be	ereto conjec of the following	1 00 roquinode				
a. Articles of Incorpora	ition and/or Bylaws of the	is organization (ROTH if are) as <u>required:</u>				
b. Names, Titles and T	erms of Offices for two	Officers of this organization	bup is incorporated)				
c. Current Financial St	atement (treasurer's rep	ort, audit, etc.)					
d. A statement of any a	and all agreements or ur	nderstandings made or had	with any agent, solicitor.				
promoter or manage	∍r of this solicitation, or a	a copy of such agreement o	r understanding, if it is in				
<u> </u>	finata Otata O F. J. J.						
e. Tax exemption certi	ilcate. State & Federal	omo o ord do not onnicte comme	· · · · · · · · · · · · · · · · · · ·				
Salaries 35,800 Printing Advertisement Solicitors Stationery/Postage Promoters Promote							
I have read and understand th authorizing any person to solic	e provisions of Los Angeles it, I will require the solicitor	County Code, volume 3, Title 7 to read Sections 7-24-010 to 7-	7, Chapter 7-24 and before 24-400 of said Ordinance.				
			1				
Business License Commission	i, indicating all receipts and	expenditures of this appeal/act	ivity.				
	AN OFFICER OF THE	<u>ORGANIZATION MUST SIGN.</u>					
"I declare unde	r penalty of perium under	the laws of the County of La	a American 141				
(State of California that the	foregoing is true and correc	s Angeles and the				
		(Sizzahura)	b) 10/13/16				
•	• •	(Signature)	(Date)				
Solicitors Managers Promoters Cost of Merchandise Refreshments/Meals Rents 300 Music Telephone NOTE: PLEASE BREAK ALL PERCENTAGES DOWN TO THE NEAREST TENTH. 13, a. 25% Percent (anticipated) of gross contributions for expenses (divide gross goalItem No. 8 into expensesItem No. 12,) (divide gross goalItem No. 8 into expensesItem No. 12,) b. 75% Percent (anticipated) of gross contributions for expenses (divide gross goalItem No. 8 into expensesItem No. 12,) (subtract percent for expenses 13, a from 100%) Percent of the proceeds to be used outside of Los Angeles County and specify where it will be used (if applicable) 14. I the signer of this Notice of Intention, attach hereto copies of the following as required: a. Articles of incorporation and/or Bylaws of this organization (BOTH if group is incorporated) b. Names, Titles and Terms of Offices for two Officers of this organization c. Current Financial Statement (treasurer's report, audit, etc.) d. A statement of any and all agreements or understandings made or had with any agent, solicitor, promoter or manager of this solicitation, or a copy of such agreement or understanding, if it is in writing. I have read and understand the provisions of Los Angeles County Code, volume 3, Title 7, Chapter 7-24 and before authorizing any person to solicit, I will require the solicitor to read Sections 7-24-010 to 7-24-400 of said Ordinance. Writhin 30 days after the completion of the solicitation, I will submit the Report of Results of Activity form to the Business License Commission, indicating all receipts and expenditures of this appeal/activity. AN OFFICER OF THE ORGANIZATION MUST SIGN. "I declare under penalty of perjury under the laws of the County of Los Angeles and the State of California that the foregoing is true and corrept." (Chapter 7-24, IS A MISDEMEANOR PUNISHABLE BY A FINE OR IMPRISONMENT - OR BOTH.) NON-COMPLIANCE WITH, OR VIOLATION OF, LOS ANGELES COUNTY CODE, VOLUME 3, TITLE 7, CHAPTER 7-24, IS A MISDEMEAN							
(Address, Street, City and Zip (lode)		(Daytime Telephone)				
Solicitors Stationery/Postage 19.500 Managers Primoders Cost of Merchandise Prizes Cost of Merchandise Refreshments/Meals Miscellaneous Music Miscellaneous Miscellane							
	(E-mail A	ddress)					
NON-COMPLIANCE WITH	, OR VIOLATION OF, LO	OS ANGELES COUNTY CO	DDE, VOLUME 3, TITLE 7.				
CHAPTER 7-24, IS A MISE	EMEANOR PUNISHAE	BLE BY A FINE OR IMPRIS	SONMENT OR BOTH.				
IMPORTANT REMINDER:	A current list of officers ar	nd a current financial statement	or audit must be sent at least				
	once annually to keep you	rtile updated. Other documents	are not necessary unless they				
	have new or additional into	ormation, or amendments.					
Please give the name and telep INTENTION" application.	phone number of a person the	hat we may contact for question	ns regarding the "NOTICE OF				
Name: Stephen Urich, Labyrinth, Inc.	Telephone N	O 760-931-2620 ext. 111					

PLEASE ENCLOSE ORIGINAL	INFORMATION CARD	,, V	WHEN FILING	THIS	REPORT
	DUE DATE:	•			

(No later than THIRTY (30) DAYS after last solicitation date)

REPORT OF RESULTS OF ACTIVITY CONDUCTED FOR A CHARITABLE PURPOSE

Fill in and Return to:

THE COUNTY OF LOS ANGELES BUSINESS LICENSE COMMISSION

374 KENNETH HAHN HALL OF ADMINISTRATION

500 W. TEMPLE STREET, LOS ANGELES, CA 90012 (213) 974-7691 Phone (213) 620-0636 Fax

READ CAREFULLY

Section 7.24.300 of the BUSINESS LICENSE ORDINANCE requires that you:

- 1. File this form with the BUSINESS LICENSE COMMISSION within 30 days after the close of the solicitation
- 2. Show all contributions resulting from the solicitation. Detail all expenses of the solicitation and show exactly how the contributions are, or will be, disbursed.
- 3. This form is to be signed by an officer of the organization
- 4. Indicate below, the organization, event, and dates as shown on your Information Card

The Humane Society of the U					_
(Name of Organizatio	n)				
1255 23rd Street, NW, Suite 4	50, Washington, DC 20037			212-246-2096	
(Address)				(Telephone)	
General Appeal					
					
(State the Kina of Eve	ent or Solicitation Held)				(Information Card # - Enclose)
Event Held from:	01/01/2015	to	12/31/2015		
	(Beginning Date)		(End Date)	 ,	
GROSS RECEIPTS	: (BEFORE deducting expens	ses)		<u>,,,</u>	
Ticket Sales a	nd/or Admission Charges			••••	\$
	ved from general appeal for fu				
Returns from	sale of merchandiseand/or				\$
	ns other than funds were rece			•••••	\$
Sale of Advert	ising Space		***************************************		\$
	s				
(Itemized) 				\$	
u. ,,,.				. \$	
Federal, State, and	City Taxes	• • • • • • •	•••••		\$
TOTAL RECEIPTS	(LESS Federal, State, and Cit	у Таз	res)		\$ 397,215

(OVER)

PAGE 2 OF 2

REPORT OF RESULTS OF ACTIVITY CONDUCTED FOR A CHARITABLE PURPOSE

INFORMATION CARD _____

(CONTINUED FROM PAGE 1)

EXPENSES OF SOLICITATION OR ACTIVITY	
Salaries, Wages, Commissions	\$ 35,576
Remuneration to promoters and/or managers	
Remuneration to entertainers, participants, or artists	
Commission to any organization authorizing appearance of artists a	
Music or Sound Equipment	
Rental of auditorium, hall, buildings, storeroom, grounds, or other	
Rental or purchase of equipment, costumes, or uniforms	
Food purchases (for luncheon, dinner, banquet, barbecue, etc.)	
Disbursed for reservation charges (such as per-plate costs, etc.)	
Cost of refreshments, novelties, etc. for resale	
Prizes, decorations, or favors	\$
Printing, postage, or stationary	\$ 19,461
Publicity, advertising, telephone, radio or television time	\$ 10,136
Transportation	
Other expenditures	
(Itemized) Fees for Service	
Information Fechnology	\$ 2,288
Office Expenses, and Equipment	\$ 3,693
Depreciation, Depletion, and Amortization	\$ 500
Conferences, Conventions and Meetings	\$ 188
Insurance	\$ 589
RE, and Property Taxes	\$ 131
Repairs, Maintenance, and Utilities	\$ <u>591</u>
TOTAL EXPENSES FOR COLLEGE	\$
TOTAL EXPENSES FOR SOLICITATION OR ACTIVITY	
NET REMAINING FOR CHARITABLE PURPOSES	\$ 298,808
DISTRIBUTION OF FUNDS:	
Furnish detailed information. If solicitation was in behalf of another organization funds were released and the AMOUNT:	or association, show its NAME, ADDRESS, and DATE
Animal Advocacy and Protection	
See attached for additional information	
	\$ 298,808
	ψ 200,000
THIS REPORT MUST BE SIGNED BY AN OFFICER	OF THE ORGANIZATION
G. Thomas Waite, III	15/12/1
(PRINT NAME)	(DATE SUBMITTED)
x D, Ih W b &	Treasurer
(SIGNATURE OF OFFICER)	(TITLE)
1255 23rd Street, NW, Suite 450, Washington, DC 20037	
(ADDRESS, CITY, STATE & ZIP)	212-246-2096
PLEASE PRINT NAME, THEN SIGN	(TELEPHONE)

Second Amended 2015 Report of Results of Activity Conducted for a Charitable Purpose

The Humane Society of the United States

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100

ORGANIZATION

The Humane Society of the United States, formerly the National Humane Society, was incorporated in the state of Delaware on November 22, 1954. On January 14, 1957, the Society changed its name to The Humane Society of the United States.

The Humane Society of the United States was granted exemption from income tax under section 501(c)(3) of the Internal Revenue Code in a letter dated January 20, 1956.

PURPOSE OF THE ORGANIZATION

The Humane Society of the United States (HSUS) is organized as a membership organization and is devoted to the protection of all animals through education, investigation, public policy work, and hands-on programs. The HSUS's founders sought to create a national organization that would take on the greatest cruelties affecting animals, those beyond the scope or capacity of local societies. Consistent with the founding vision, The HSUS seeks to complement but not duplicate the work of local and state groups. The HSUS rescues and cares for tens of thousands of animals each year, but the HSUS's primary mission is to prevent cruelty before it occurs.

REPORT OF RESULTS OF ACTIVITY

We do not have the capacity to compute contributions received solely from the unincorporated area of Los Angeles County, however in order to complete the Report of Results of Activity for 2015 we pulled donor contributions in Los Angeles County and then multiplied that amount by the ratio of the population in unincorporated Los Angeles County, divided by the total population in all of Los Angeles County. All of our gross receipts in Los Angeles County are related to general appeals from those solicitation means as set forth in Item 10 of the Notice of Intention to Solicit.

Relative to expenses, we also have no way of determining what was spent in the unincorporated area of Los Angeles County, however, for the purpose of completing the Report of Results of Activity for 2015 we estimated these fundraising costs based on the population of the unincorporated area of Los Angeles County divided by the total United States population. This percentage was applied against our fundraising expenses, as reported on both our Tax Form 990, and the Society's Consolidated Financial Statements and Supplemental Schedules for the

Year Ended December 31, 2015 (Consolidating Schedule of Activities and Change in Net Assets).

DISTRIBUTION OF FUNDS

The Humane Society of the United States (HSUS) seeks to prevent and bring an end to cruelty to animals in all of its forms, and to celebrate and strengthen the human-animal bond. The HSUS seeks to promote and extend animal protection work throughout the United States, at all levels, but especially from a national perspective. Its priority programs focus on companion animals, wild animals and their habitat, captive animal issues, humane resolution of human-wildlife conflict, farm animal welfare, marine mammals, animals in research, equine protection, emergency preparedness and response, humane education, and public policy. Per the Organization's Consolidated Financial Statements and Supplemental Schedules for the Year Ended December 31, 2015 (Consolidating Schedule of Activities and Change in Net Assets), total program expenses for the HSUS in 2015 were \$140,337,029, fundraising expenses were \$28,859,208, and total general and administrative expenses were \$3,772,142.

The HSUS provides a range of direct benefits to supporters and donors, within Los Angeles County, within California, and throughout the United States and abroad. To those who contribute to the HSUS, regardless of their residency, we offer some universal benefits, including our magazines and publications, our email and written updates and alerts, our work on the issues of concern to those who support our animal welfare agenda, our efforts to persuade elected and other officials of the rightness of our cause, and our continuing initiatives to engage our supporters and members as active advocates and volunteers themselves.

The HSUS has a long history of work in California, going back to the mid-1950s, and including the formation of a California, chapter, a California branch office, and a state director position, exclusively focused on California animal welfare work. The HSUS has carried out many program initiatives in California, including investigations, public education outreach, editorial outreach, public policy work, training, and direct care and relief.

The HSUS is in involved in many activities in Los Angeles County and the surrounding area. The HSUS has an office in Hollywood, CA and hosts an annual fundraising gala in Los Angeles. The HSUS manages the Genesis Awards from its California office that honors individuals in the news and entertainment media for creating outstanding works that raise awareness of animal protection issues. HSUS has Pets for Life Programs in four cities in the United States, including Los Angeles. Pets for Life provides veterinary care for pets in low income areas. In addition, the HSUS has three Board members residing in Los Angeles County.

For the Distribution of Funds, we again don't have the capacity to compute the amount of funds solely used within the unincorporated area of Los Angeles County. However, we estimate that all of the reported expenses were used outside of the unincorporated area of Los Angeles County.

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

Officers, Directors, Trustees, and Key Employees

Jennifer Leaning, MD, SMH

Vice Chair/Director

Betsy Liley

Chief Development Officer

Kathleen M. Linehan, Esq.

Board Treasurer/Director

John Mackey

Director

Michael Markarian

Chief Operating Officer

Mary I. Max

Director

Patrick L. McDonnell

Director

C. Thomas McMillen

Director

Donna L. Mochi

Assistant Secretary

Judy Ney

Director

Wayne Pacelle

President and CEO

Sharon Lee Patrick

Director

Marsha Perelman

Director

Marian G. Probst

Director

Jonathan M. Ratner

Director

Judith Reed

Senior Vice President, Human Capital and Administration

All officers can be contacted at the address listed above

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

Officers, Directors, Trustees, and Key Employees

Director Jeffrey J. Arciniaco Assistant Treasurer Arnold Baer Controller and Deputy Treasurer Michaelen Barsness Chair of the Board/Director Eric L. Bernthal, Esq. Director Erika Brunson Director Jerry Cesak Director Anita W. Coupe, Esq. Assistant Secretary Carol England Neil B. Fang, Esq., CPA Director Director Jane Greenspun Gale Director Spencer B. Haber Director Amanda Hearst Director Cathy Kangas General Counsel/Vice President/Chief Legal Officer Roger A. Kindler Paula A. Kislak, DVM Director

All officers can be contacted at the address listed above

Charles A. Laue

Director

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

Officers, Directors, Trustees, and Key Employees

Theresa C. Reese Deputy Treasurer

Joshua S. Reichert, PhD Director

Amy C. Rodgers Secretary

Andrew N. Rowan, PhD Chief International Officer and Chief Scientific Officer

Walter J. Stewart, Esq. Director

G. Thomas Waite III Treasurer and Chief Financial Officer

Andrew Weinstein Director

Jason Weiss Vice Chair/Director

Suzy Welch Drector

David O. Wiebers, MD Director

Lona Williams Director

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

Other States Registered:

Other States Register	ea:
State	Registration Number
Alabama	AL97-148
Alaska	
Arkansas	
California	CT0065260
Colorado	20053007448
Connecticut	CHR.0006769
District of Columbia	65990756
Florida	CH1705
Georgia	CH003735
Hawaii	
Illinois	01-006,436
Kansas	227-694-7
Kentucky	450
Louisiana	
Maine	CO5301
Maryland	429
Massachusetts	026954
Michigan	MICS 6355
Minnesota	
Mississippi	100000445
Nevada	E0089652013-1
New Hampshire	3641
New Jersey	CH-02627-00
New Mexico	
New York	11-18-33
North Carolina	SL000386
North Dakota	10.851.500
Ohio	
Oklahoma	4300593498
Oregon	21233
Pennsylvania	5777
Rhode Island	CO.9700282
South Carolina	P4722
Tennessee	CO2393
Utah	6535954-CHAR
Virginia	
Washington	5458
West Virginia	
Wisconsin	5444-800

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

PROFESSIONAL FUNDRAISING COUNSEL

The Humane Society of the United States has an agreement with a professional fundraising counsel to provide guidance in solicitation of charitable contributions to further its stated purpose. All funds are received directly by The Humane Society of the United States. Contributions are solicited through an ongoing direct mail program.

The Humane Society of the United States has an agreement with the following fundraising counsel:

Integrated Direct Marketing, LLC 1250 Connecticut Avenue, NW, Suite 200 Washington, DC 20036 202-261-6507

Agreement period: 5/1/2013 - 4/30/2016

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

PROFESSIONAL FUNDRAISING COUNSEL

The Humane Society of the United States has an agreement with a professional fundraising counsel to provide guidance in solicitation of charitable contributions to further its stated purpose. All funds are received directly by The Humane Society of the United States.

The Humane Society of the United States has an agreement with the following fundraising counsel:

Convio, Inc. -11501 Domain Drive, Suite 200 Austin, TX 78758 512-652-2600

Agreement period: 10/1/2010 - 9/30/2015

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

PROFESSIONAL FUNDRAISING COUNSEL

The Humane Society of the United States has an agreement with a professional fundraising counsel to provide guidance in solicitation of charitable contributions to further its stated purpose. All funds are received directly by The Humane Society of the United States. Contributions are solicited through an ongoing direct mail program.

The Humane Society of the United States has an agreement with the following fundraising counsel:

National Outdoor Sports Advertising, Inc. 5151 Wisconsin Avenue, NW, Suite 400 Washington, DC 20016 202-965-9850

Agreement period: 10/15/2013 - 9/30/2015

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

PROFESSIONAL FUNDRAISING COUNSEL

The Humane Society of the United States has an agreement with a professional fundraising counsel to provide guidance in solicitation of charitable contributions to further its stated purpose. All funds are received directly by The Humane Society of the United States. Contributions are solicited through an ongoing tv placement program.

The Humane Society of the United States has an agreement with the following fundraising counsel:

Javelin Marketing Group 7850 Belt Line Road Irving, TX 75063 972-443-7000

Agreement period: 2/26/2014 - Ongoing

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

PROFESSIONAL SOLICITOR

The Humane Society of the United States has an agreement with a professional solicitor to solicit charitable contributions in order to further the organization's stated purpose.

The Humane Society of the United States has an agreement with the following professional solicitor:

Fine Line Communications Ltd 290 Garry Street Winnepeg, Manitoba R3C 1H3 204-942-4242

Agreement period: 6/4/2012 - 6/3/2015

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

PROFESSIONAL SOLICITOR

The Humane Society of the United States has an agreement with a professional solicitor to solicit charitable contributions in order to further the organization's stated purpose.

The Humane Society of the United States has an agreement with the following professional solicitor:

Donor Services Group, LLC 6715 Sunset Boulevard Hollywood, CA 90028 310-788-9000

Agreement period: 5/1/2014 - 12/31/2015

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

PROFESSIONAL SOLICITOR

The Humane Society of the United States has an agreement with a professional solicitor to solicit charitable contributions in order to further the organization's stated purpose.

The Humane Society of the United States has an agreement with the following professional solicitor:

Coinstar, Inc. 1800 114th Avenue SE Bellevue, WA 98004 425-943-8121

Agreement period: 3/1/2012 - Ongoing

1255 23rd Street, NW, Suite 450 Washington, DC 20037 202-452-1100 FAX 301-548-7767

PROFESSIONAL SOLICITOR

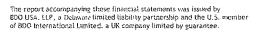
The Humane Society of the United States has an agreement with a professional solicitor to solicit charitable contributions in order to further the organization's stated purpose.

The Humane Society of the United States has an agreement with the following professional solicitor:

InfoCision Management Corporation 325 Springside Drive Akron, OH 44333 330-668-1400

Agreement period: 12/1/2013 - 11/30/2015

Consolidated Financial Statements and Supplemental Schedules Year Ended December 31, 2015





Consolidated Financial Statements and Supplemental Schedules Year Ended December 31, 2015

Contents

Independent Auditor's Report	3-4
Consolidated Financial Statements	
Consolidated Statement of Financial Position	5
Consolidated Statement of Activities and Change in Net Assets	6
Consolidated Statement of Functional Expenses	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9-37
Supplemental Schedules	
Independent Auditor's Report on the Supplemental Schedules	38
Consolidating Schedule of Financial Position	39
Consolidating Schedule of Activities and Change in Net Assets	40



Tel: 703-893-0600 Fax: 703-893-2766 www.bdo.com 8401 Greensboro Drive, Suite 800 McLean, VA 22102

Independent Auditor's Report

Board of Directors
The Humane Society of the United States
Washington, D.C.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The Humane Society of the United States and Affiliates, which comprise the consolidated statement of financial position as of December 31, 2015, and the related consolidated statement of activities and change in net assets, statement of functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Humane Society of the United States and Affiliates as of December 31, 2015, and the change in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The 2014 consolidated financial statements of The Society, before restatement for the matter described below, were audited by another audit firm. Their report, dated June 3, 2015, expressed an unmodified opinion on those consolidated statements.

As described in Note 22, The Society has restated its 2014 consolidated financial statements to properly reflect the release of net assets that occurred prior to the year ended December 31, 2015. Our opinion on the 2015 consolidated financial statements is not modified with respect to this matter.

As part of our audit of the 2015 consolidated financial statements, we also audited the adjustment described in Note 22 that was applied to restate the opening net assets balances in the 2015 consolidated financial statements. In our opinion, such adjustment is appropriate and has been properly applied. We were not engaged to audit, review, or apply any procedures to the 2014 consolidated financial statements of The Society other than with respect to the adjustment and, accordingly, we do not express an opinion or any other form of assurance on the 2014 consolidated financial statements as a whole.

BDO WA, LLP

June 1, 2016

Consolidated Financial Statements

andra de la companya Companya de la compa

ing the first of the company of the

Consolidated Balance Sheet

As of December 31,	201
As of December 31, 2015	
Cash and Cash Equivalents	\$ 13,543,337
Investments	209,553,308
Investments to Fund Deferred Compensation Liability	307,802
Accrued Interest Receivable	113,946
Prepaid Expenses and Other Assets	2,087,927
Contributions, Bequests and Other Receivables, net	22,220,655
Property and Equipment, net	30,777,331
Total assets	\$ 278,604,306
Liabilities and Net Assets	
Liabilities	
Accounts payable and accrued expenses	\$ 16,219,660
Annuities and unitrusts	10,451,683
Line of credit	8,502,312
Accrued severance obligation	1,234,595
Deferred compensation liability	307,802
Accrued retirement benefit obligation	9,167,024
Annuities and unitrusts	45,883,076
Realized and unrealized (losses)	
Change in net assets before annuity and pension	
Unrestricted	
Board designated	79,590,921
Undesignated	75,887,676
	155,478,597
Temporarily restricted	46,502,429
Permanently restricted	30,740,204
Net assets, December 31, 2015	
Total net assets	232,721,230
Fotal liabilities and net assets	\$ 278,604,306

Consolidated Statement of Activities and Changes in Net Assets

-				Temporarily		Permanently	
As of December 31, 2015	1	Unrestricted		Restricted		Restricted	Total
Support and Revenue							
Contributions	S	116,383,160	S	43,347,773	S	- \$	159,730,933
Bequests		22,261,927	•	5,265,827	-	-	27,527,754
Interest and dividends		1,788,706		121,646		•	1,910,352
Royalty income		1,372,904		16,389		-	1,389,293
Event income		2,068,152		231,438			2,299,590
Other income		1,184,038		179,404		-	1,363,442
Net assets released from restrictions		43,518,885		(43,493,885)		(25,000)	
Total support and revenue		188,577,772		5,668,592		(25,000)	194,221,364
Expenses							
Program services		152,819,600		-			152,819,600
Management and general		4,906,029		-		<u>-</u>	4,906,029
Fundraising		33,321,480		-			33,321,480
Total expenses		191,047,109		-			191,047,109
Change in net assets from operations	4	(2,469,337)		5,668,592		(25,000)	3,174,255
Annuities and unitrusts						i i	
Investments, net		(6,388,273)		(274,197)		-	(6,662,470)
Realized and unrealized (losses)		(6,388,273)		(274,197)		-	(6,662,470)
Change in net assets before annuity and pension		*1					······································
and retirement benefits adjustment		(8,857,610)		5,394,395		(25,000)	(3,488,215)
Annuity liability change in valuation		(2,364,881)		(60,275)			(2,425,156)
Pension benefits		5,068,519		-		•	5,068,519
Change in net assets		(6,153,972)		5,334,120		(25,000)	(844,852)
Net assets, January 1, 2015							
Net assets, December 31, 2015		161,632,569		41,168,309		30,765,204	233,566,082
Net assets, December 31, 2015	\$	155,478,597	5	46,502,429	Ś	30,740,204 \$	232,721,230

See Notes to Consolidated Financial Statements.

The Humane Society of the United States

Statement of Functional Expenses

				<u></u>	-				
			Àι	Program Expenses					
	ì		:	1			Management		
As of December 31, 2015	Ulrect Care		Public Policy	Corporate Policy	Education	Total Program	and General	Fundraising	Total
TV. C.									
Calaborates	7	í	1	2000	11		\$ \$	6	6
Employee benefits	2,808,548	7 7 7 7 8 4 7 8 4	2,970,306	543,405	3.410,663	\$ 36,614,508 9.732,922	\$ /15,489 200,640	\$ 3,296,825 852.273	5 40,626,822 10.785.835
Total compensation	13,409,120	20	14,017,425	2,635,470	16,285,415	46,347,430	916,129	4,149,098	51,412,657
			•	,	٠		AND AND A SECOND		
Education material, publications and campaigns	14,399,790	190	5,914,273	3,197,713	23,218,813	46,730,589	421,147	5,512,872	52,664,608
Mailing costs	3,675,452	152	4,266,073	666,871	4,845,220	13,453,616	879,452	15,808,188	30,141,256
Consultant and contracted services	6,366,030	30	4,616,096	1,228,419	7,664,851	19,875,396	442,731	3,553,760	23,871,887
Professional fees	726,260	097	3,021,641	114,506	593,125	4,455,532	117,237	344,515	4,917,284
Contributions and grants	1,193,311	11	2,256,708	919,319	1,833,610	6,202,948	,	,	6,202,948
Trayel and events	1,553,075	75	1,436,552	445,089	1,835,180	5,269,896	37,434	435,018	5,742,348
Supplies and field expenses	2,584,945	45	587,349	210,213	937,155	4,319,662	97,424	286,633	4,703,719
Bank and trustee fees			•	•	•	٠	902,618	2,661,649	3,564,267
Foreign currency		,	-*.		•	•	163,064	1	163,064
Occupancy and building expense	1,342,882	382	342,690	96,737	506,918	2,289,227	147,323	209,230	2,645,780
Depreciation and amortization	346,143	43	110,642	64,278	172,852	693,915	658,714	60,085	1,412,714
Postage and shipping	98,001	101	74,793	27,575	1,115,028	1,315,397	4,496	36,815	1,356,708
Telephone	207,271	7.	221,367	42,192	244,019	714,849	15,716	49,648	780,214
Insurance and bonds	343,137	37	221,409	56,911	293,377	914,834	68,923	180,843	1,164,600
Annuities and unitrusts	105,729	729	88,225	8,118	34,237	236,309	33,621	33.125	303,055

9,713,411 \$ 59,579,800 \$ 152,819,600 \$ 4,906,029 \$ 33,321,480 \$ 191,047,109 See Notes to Consolidated Financial Statements.

\$ 46,351,146 \$ 37,175,243 \$

Realized and unrealized (losses)

Consolidated Statement of Cash Flows

Year Ended December 31,		2015
As of December 31, 2015		
Change in net assets	\$	(844,852)
Adjustments to reconcile change in net assets to net cash	·	, , ,
provided by operating activities:		
Increase in allowance for uncollectible contributions and bequests		819,105
Bad debt expense		1,657,300
Change in discount on multi-year contributions and bequests		113,610
Depreciation and amortization		1,412,714
Gain on sale of property and equipment		(900)
Net realized and unrealized loss on investments		6,662,470
Donated stock		(19,005,901)
Changes in assets and liabilities:		
(Increase) decrease in:		
Accrued interest receivable		21,564
Prepaid expenses and other assets		(222,689)
Contributions, bequests, and other receivables, gross		(5,065,843)
Increase (decrease) in:		
Accounts payable and accrued expenses	4	1,383,725
Annuities and unitrusts 2		2,096,271
Accrued severance obligation		(180,413)
- Accrued postretirement benefit obligation		(4,659,147)
Annuities and unitrusts		(15,812,986)
Realized and unrealized (losses)		
Proceeds from property sold		
Change in net assets before annuity and pension		63,497,604
Purchase of investments		(56,210,562)
Purchases of property and equipment		(3,156,078)
Net cash provided by investing activities		4,130,964
Cash flows from financing activities:		
Borrowing on line of credit		8,502,312
Net assets, December 31, 2015		8,502,312
Net (decrease) in cash and cash equivalents		(3,179,710)
Cash and Cash Equivalents		
Beginning of year		16,723,047
End of year	\$	13,543,337
Supplemental Schedules of Noncash Investing and Financing Activities		
Donated stock	\$	19,005,901
See Notes to Consoli	at the properties of the property of the prope	

Notes to the Consolidated Financial Statements

1. The Organization and Summary of Significant Accounting Policies

The Humane Society of the United States and Affiliates (collectively, The Society) is a not-for-profit organization whose primary purpose is the worldwide advancement of humane treatment of animals through public education, awareness, and direct animal care programs. The accompanying consolidated financial statements include the activities of the following entities:

The Humane Society of the United States (The HSUS)

The HSUS seeks to prevent and bring an end to animal cruelty to animals in all of its forms, and to celebrate and strengthen the human-animal bond.

Doris Day Animal League (DDAL)

DDAL, founded in 1987 by the legendary actress and animal advocate, Doris Day, is a national not-for-profit, citizen's lobbying organization working for the humane treatment of animals.

The Fund for Animals (FFA)

FFA has been responsible for most HSUS animal care facilities since 2005, including the Cleveland Amory Black Beauty Ranch in Texas, the Cape Wildlife Center in Massachusetts, the Duchess Sanctuary in Oregon, and the Fund for Animals Wildlife Center in California. These facilities focus on rehabilitation, release and hands-on care and rescue of injured, orphaned, and abandoned animals, as well as promoting the humane treatment of all animals and the prevention of cruelty through education and advocacy.

Humane Society International, Inc. (HSI)

HSI, founded in 1991, seeks to educate audiences worldwide about compassion toward animals, carry out direct animal care, rescue and disaster response; provide technical and scientific support to local partners; and to increase the priority given worldwide to animal protection issues by policy-makers, industry, and civil society. HSI also encompasses the below related entities throughout the world:

- Humane Society International (UK)
- Humane Society International Latin America
- Humane Society International/ Canada
- Friends of Humane Society International for the Protection and Conservation of Animals
- Humane Society International: India
- Humane Society International Europe
- Humane Society International Mexico

Humane Society University (HSU)

HSU, incorporated in 2008, is a private, non-profit university that manages the higher education and professional training divisions of The HSUS. HSU promotes a more humane world for people and animals through higher education of students and advancement of

Notes to the Consolidated Financial Statements

knowledge in areas related to animal protections and animal welfare. HSU offers onsite and online undergraduate and graduate degrees and graduate certificates.

In 2013, HSU determined that its business model is not sustainable and ceased marketing and admission efforts. HSU is teaching out its existing students and will do so until the final student completes his/her degree in 2016.

Humane Society Veterinarians Medical Association (HSVMA)

The HSVMA, incorporated in 1982, promotes and provides veterinary leadership in animal advocacy, public education and direct care to aid animals in need.

South Florida Wildlife Center, Inc. (SFWC)

SFWC, incorporated in 1969, helps animals in the South Florida's tri-county region of Palm Beach, Broward and Miami-Dade counties. SFWC rescues, rehabilitates, and releases harmed or displaced wildlife; treats and places domestic and exotic animals in need; and teaches the public about living alongside our wild neighbors.

Humane Society Wildlife Land Trust (HSWLT)

HSWLT, founded in 1993, protects wild animals by creating permanent sanctuaries, preserving and enhancing natural habitat, and confronting cruelty.

Project Chimps (PC)

Project Chimps, incorporated in 2014, provides sanctuary and advocacy for chimpanzees.

The significant policies followed by The Society are described below.

Basis of accounting

The accompanying consolidated financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (U.S. GAAP) of America.

Principles of consolidation

The consolidated financial statements include the accounts of Humane Society of the United States, Doris Day Animal League, the Fund for Animals, Humane Society International, Inc. and its related international entities, Humane Society University, Humane Society Veterinarians Medical Association, South Florida Wildlife Center, Inc., the Humane Society Wildlife Land Trust, and Project Chimps. All significant inter-organizational balances and transactions have been eliminated in consolidation.

Notes to the Consolidated Financial Statements

Basis of presentation

The Society follows the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Codification ("ASC") ASC 958-605 Not-for-profit Entities - Presentation of Financial Statements. The Society is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Such estimates also affect the reported amounts of revenues and expenses during the reporting year. Actual results could differ from estimates under different assumptions and conditions.

Revenue recognition

Contribution revenue

The Society recognizes revenue in accordance with FASB ASC 958-605 Not-for-profit Entities - Revenue Recognition.

Contributions, including unconditional promises to give, are recognized in the period received. Contributions received are considered to be available for use unless specifically restricted by the donor. Amounts received that are designated for a future period, or are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions. Temporarily restricted contributions that are used for the purpose specified by the donor in the same year as the contribution is received are recognized as unrestricted contributions.

Contributions are recorded at fair value, which is net of estimated uncollectible amounts. The Society uses the allowance method to determine uncollectible, unconditional pledges receivable. The allowance is based on experience as well as management's analysis of specific pledges made, including such factors as prior collection history, type of contribution, and nature of fundraising activity. Contributions, including multi-year pledges and split interest agreements, to be received after one year, are recorded at the present value of the estimated future cash flows. Subsequent changes in this discount resulting from the passage of time are accounted for as contributions in subsequent years. Revenue under charitable gift annuity arrangements is reduced by the estimated annuities to be paid by The Society over the beneficiary's lifetime. Irrevocable split-interest agreements, including charitable remainder trusts, charitable lead trusts and perpetual trusts, are recorded as revenue when the trust agreements become irrevocable.

Conditional promises to give, including those received under multi-year grant agreements, are recognized as revenue when the conditions on which they depend have been substantially met.

Notes to the Consolidated Financial Statements

Bequest revenue

The Society is the beneficiary under various wills. Legacy and bequest income is recognized when The Society has an irrevocable right to the gift and the proceeds are readily measurable.

Individual unrestricted bequests in excess of \$25,000 are recognized as revenue in the undesignated net assets at the rate of 20% and in the board designated investment fund net assets at the rate of 80% in the year of receipt. The 80% reported as revenue in the board designated net assets is transferred to the undesignated net assets equally over the following four years. The effect of this policy is to apportion individual bequests to the undesignated net assets over a five-year period. This policy applies only to The Humane Society of the United States entity.

In-kind contributions

The Society recognizes in-kind revenue in accordance with FASB ASC 958-605-25-16 Not-for-profit Entities - Revenue Recognition - Contributions Received - Contributed Services. Contributed services and in-kind contributions are recognized if they create or enhance non-financial assets or require specialized skills and would need to be purchased if not provided by donation.

The Society produces and distributes public service television, radio, and newspaper announcements that focus attention on Companion Animal and Wildlife issues. These public service announcements (PSAs) are distributed to radio stations and newspapers nationwide and presented free of charge. The Society has contracted with an independent outside agency to track the date and time that each PSA is presented. The estimated value of the PSA and related placement is based on the date, time, and market of the placement. For the year ended December 31, 2015, The Society recorded \$31,235,751 of contributed PSAs and other advertising related expenses. These amounts are recorded in contributions revenue and program expenses in the financial statements.

The Society also receives donations of in-kind services, as well as donations of equipment and supplies in the daily operations of its programs. For the year ended December 31, 2015, The Society received \$2,625,874 in donated services and \$924,162 in donated equipment and supplies. These amounts are recorded in contributions revenue and program expenses in the financial statements.

Event income

Registration and exhibit fees are recognized upon completion of the related event.

Other revenue

Other revenues are recognized when earned.

Cash and cash equivalents

Cash and cash equivalents include all short-term, highly liquid instruments purchased with an original maturity of three months or less. At December 31, 2015, cash and cash equivalents consisted of checking accounts and depository accounts.

Notes to the Consolidated Financial Statements

Investments

The Society records investments in accordance with FASB ASC 958-320 Not-for-profit Entities - Investments. The Society records investments at fair value. Interest and dividend income is accounted for on the accrual basis. Gains and losses on investments, including changes in market value, are reported in the consolidated statement of activities and change in net assets as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by donor stipulation.

Investments in hedge funds, fund of funds, partnerships, and private equity funds are valued at net asset value, which estimates fair value. The funds value securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the funds, which may include private placements and other securities for which prices are not readily available, are determined by the management of the respective fund and may not reflect amounts that could be realized upon immediate sale nor amounts that could be ultimately realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The fair value of The Society's investments in hedge funds, fund of funds, partnerships, and private equity funds generally represents the amount The Society would expect to receive if it were to liquidate its investments in the funds, excluding any redemption charges that may apply.

Contributions and bequests receivable

Contributions and bequests receivable are carried at original amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a quarterly basis and discounts for any long term receivables. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using the historical experience applied to an aging of accounts. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. The provision for doubtful accounts was \$808,897 at December 31, 2015. Total bad debt expense was \$1,657,300 for the year ended December 31, 2015.

Property and equipment

Property and equipment with a cost of \$5,000 or more are capitalized. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance, and repairs are charged to expense as incurred. When property and equipment is retired, or otherwise disposed of, the cost and accumulated depreciation and amortization is removed from the accounts and any resulting gain or loss is included in the results of operations for the respective period. Donated property is recorded at fair value at the time of donation. Improvements to property and equipment that extend the useful lives of the assets are also capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Useful lives range from (i) 10 to 40 years for building and improvements, and (ii) up to 5 years for automobiles, and office furniture and equipment. Depreciation is not calculated on land and construction-in-progress.

Notes to the Consolidated Financial Statements

Charitable gift annuities

The Society records charitable gift annuities in accordance with FASB ASC 958-30 Not-for-profit Entities - Split Interest Agreements. Annuity obligations arising from split-interest gifts are recognized as charitable gift annuities in the accompanying consolidated statements of financial position. The initial liabilities resulting from these gifts are measured at fair value using the present value of the future payments to be made to beneficiaries. These liabilities are subsequently remeasured at the present value of future payments to beneficiaries based on changes in life expectancy and other actuarial assumptions. The Society holds the underlying annuity assets in a separate investment account.

Net assets

The Society classifies its net assets into the three categories: unrestricted, temporarily restricted, and permanently restricted.

Unrestricted net assets - undesignated

Unrestricted net assets are those net assets that are not subject to donor-imposed stipulations or board designations.

Unrestricted net assets - board-designated

The Society's board of directors has set aside unrestricted amounts received from various donors as board-designated fund assets, and has implemented an investment policy that includes an annual discretionary transfer of amounts to undesignated net assets to support operations.

Temporarily restricted net assets

Temporarily restricted net assets generally result from net contributions and other inflows of assets whose use by The Society is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and the restriction removed by actions of The Society pursuant to those stipulations. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying consolidated statements of activities as net assets released from restrictions. Temporarily restricted contributions with restrictions that are fulfilled in the same fiscal year that contributions are received are reported in the accompanying consolidates statements of activities and change in net assets as unrestricted contributions.

Permanently restricted net assets

Permanently restricted net assets generally result from contributions and other inflows of assets whose use by The Society is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by The Society. Generally, the donors of these assets permit The Society to use the income earned on related investments for general or specific purposes.

Notes to the Consolidated Financial Statements

Tax status

The HSUS, FFA, HSI, HSU, HSVMA, SFWC, HSWLT, and PC qualify under Section 501(c)(3) of the Internal Revenue Code (IRC) and are classified as organizations that are not private foundations. DDAL qualifies under Section 501(c)(4) of the IRC. Therefore, The Society is generally not subject to tax under present income tax laws; however, any unrelated business income may be subject to federal and state income taxes. The Society had no net unrelated business income for the year ended December 31, 2015.

Humane Society International (UK) is a company limited by guarantee, registered in England and Wales, and a registered charity. The organization was incorporated on December 5, 2002 and was registered as a charity on August 11, 2003.

Humane Society International Latin America is an association, registered in San Jose, Costa Rica. The organization was incorporated on February 2, 2004.

Humane Society International / Canada was incorporated on September 14, 2005 under the Canada Corporations Act as a corporation without share capital. The organization is continued under the Canada Not-for-profit Act and is exempt from income tax in Canada as a not-for-profit organization under Section 149(1)(L) of the Income Tax Act (Canada).

Friends of Humane Society International for the Protection and Conservation of Animals was incorporated on October 6, 2005 under the Canada Corporations Act as a corporation without share capital. The organization is continued under the Canada Not-for-profit Act and is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

Humane Society International: India was incorporated on October 23, 2012 under Section 25 of the Companies Act (India), 1956 (No. 1 of 1956) and the company is private limited.

Humane Society International Europe is an association without lucrative purpose governed by the Act of June 27, 1921 (Belgium) incorporated in Belgium on May 16, 2014.

Humane Society International Mexico is a Civil Association incorporated in Mexico on July 30, 2015.

In accordance with FASB ASC 740 *Income Taxes*, The Society recognizes tax liabilities for uncertain tax positions when it is more likely than not that a tax position will not be sustained upon examination and settlement with various taxing authorities. Liabilities for uncertain tax positions are measured based upon the largest amount of benefit that is greater than 50% likely of being realized upon settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods. With few exceptions, The Society is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years ended December 31, 2012 and prior. Management has evaluated The Society's tax positions and has concluded that The Society has taken no uncertain tax positions that require adjustment to the consolidated financial statements to comply with the provisions of this guidance.

Notes to the Consolidated Financial Statements

Donated securities

Donated securities are reported at their fair value as of the date of donation. Sales are reflected on a trade-date basis.

Operations

Operating revenues and expenses include all transactions which increase or decrease net assets except those associated with net investment return and pension costs. Pension costs, since the freezing of the pension plan in December 2015, have been excluded from operating expenses.

Valuation of long-lived assets

The Society reviews the valuation of its long-lived assets for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived assets is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. No indicators of impairment were identified as of December 31, 2015.

Functional allocation of expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the consolidated statements of activities and consolidated statements of functional expenses. Expenses that can be identified with a specific program or support service are charged directly according to their natural expenditure classifications. Certain costs common to multiple functions have been allocated among the various functions benefited. General and administrative expenses include those costs that are not directly identifiable with any specific function, but which provide for the overall support and direction of The Society.

Fair value of financial instruments

The carrying amounts of cash and cash equivalents, annuities and unitrusts, and accounts payable and accrued expenses approximate fair value because of the short maturity of these instruments. Investments are stated at fair value.

Humane Society University

In December 2013, The Society made the determination that it was no longer practical to continue to operate Humane Society University (HSU) due to increased regulations related to online learning opportunities, shortfalls in growth expectation and shortfalls in revenue. The Society has outlined a plan for individuals currently enrolled in classes at HSU to complete their degree programs. HSU is expected to remain open in a limited capacity through 2017.

Concentrations of credit risk

The Society's assets that are exposed to credit risk consist primarily of cash and cash equivalents; investments; and contributions, bequests and other receivables. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits.

Notes to the Consolidated Financial Statements

The Society has never experienced any losses related to these balances. Amounts on deposit in excess of federally insured limits at December, 2015 approximate \$4.3 million. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the consolidated statement of financial position. The Society's contributions, bequests and other receivables balance consists primarily of amounts due from individuals and corporations. Historically, The Society has not experienced significant losses related to the bequests and contributions receivable balances and, therefore, believes that the credit risk related to them is minimal.

The Society records foreign currency translation in accordance with FASB ASC 830 Foreign Currency Matters. The financial statements and transactions of various international subsidiaries are generally maintained in the respective local currencies. For the consolidated financial statements, foreign entities' assets and liabilities are translated at exchange rates in effect as of the date of the consolidated statement of financial position. Revenue and expenses are translated at the exchange rates in effect at the end of the reporting period, which approximates translation at the average exchange rate during each period. Translation adjustments, which result from the process of translating the consolidated financial statements into U.S. dollars, are accumulated in unrestricted net assets. Gains and losses from foreign currency transactions are included in the consolidated statements of activities as change in net assets in the period in which they are realized.

Recently adopted authoritative guidance

In May 2015, the FASB issued ASU No. 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent) (ASU 2015-07). ASU 2015-07 removes the requirement to include investments in the fair value hierarchy for which fair value is measured using the net asset value (NAV) per share practical expedient under ASC 820. ASU 2015-07 is effective for fiscal year-ends beginning after December 15, 2016 with early adoption permitted. The Society elected to early adopt this new guidance and the updated disclosures are included in the accompanying consolidated financial statement disclosures (See Note 18). The adoption of this guidance had no impact on The Society's consolidated financial statements, other than as described in Note 18.

Recent accounting pronouncements not yet adopted

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). This update supersedes previously issued guidance on revenue recognition and will apply to virtually all industries. The core principle of this new guidance is built on the contract between a vendor and a customer for the provision of goods and services. It attempts to depict the exchange of rights and obligations between the parties in the pattern of revenue recognition based on the consideration to which the vendor is entitled. To accomplish this objective, the standard requires five basic steps: (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognize revenue when (or as) the entity satisfies the performance obligation. The new standard will be effective for nonpublic entities for annual reporting periods beginning after December 15, 2018. The Society is evaluating the effect that adoption of this new standard will have on The Society's consolidated financial statements.

Notes to the Consolidated Financial Statements

In April 2015, the FASB issued ASU 2015-04, Compensation- Retirement Benefits (Topic 715): Practical Expedient for the Measurement Date of an Employer's Defined Benefit Obligation and Plan Assets. ASU 2015-04 introduces a practical expedient for measuring defined benefit plan assets and benefit obligations. Under the expedient, if an employer's fiscal year-end does not coincide with a month-end, the employer may measure plan assets and benefit obligations using the month-end that is closest to the employer's fiscal year-end. An employer making the election will be required to adjust the fair value of the plan assets and obligations for any contribution or other significant event caused by the employer (e.g., amendment, settlement, or curtailment that calls for a remeasurement) that occurs between the measurement date and the employer's fiscal year-end. However, an employer does not need to adjust the fair value of individual classes of assets for a contribution occurring between the measurement date and the employer's fiscal vear-end; the employer should simply disclose the amount of the contribution. The amendments create a similar practical expedient for interim events. If a significant event occurs during an interim period which calls for a remeasurement of defined benefit plan assets and obligations (e.g., partial settlement), the employer may remeasure defined benefit plan assets and obligations using the month-end that is closest to the date of the significant event. The amendments are effective for nonpublic entities for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. amendments must be applied prospectively. Early adoption is permitted. The Society is evaluating the effect that adoption of this new standard will have on The Society's consolidated financial statements.

In January 2016, the FASB issued ASU 2016-01, Financial Instruments - Overall (Subtopic 825-10). This update requires an entity to: (i) measure equity investments at fair value through net income, with certain exceptions; (ii) present in other comprehensive income ("OCI") the changes in instrument-specific credit risk for financial liabilities measured using the fair value option; (iii) present financial assets and financial liabilities by measurement category and form of financial asset; (iv) calculate the fair value of financial instruments for disclosure purposes based on an exit price and; (v) assess a valuation allowance on deferred tax assets related to unrealized losses of available for sale ("AFS") debt securities in combination with other deferred tax assets. The Update provides an election to subsequently measure certain nonmarketable equity investments at cost less any impairment and adjusted for certain observable price changes. The Update also requires a qualitative impairment assessment of such equity investments and amends certain fair value disclosure requirements. The new standard will be effective for nonpublic entities for annual reporting periods beginning after December 15, 2018. Early adoption is only permitted for the provision related to instrument-specific credit risk and the fair value disclosure exemption provided to nonpublic entities. The Society is evaluating the effect that adoption of this new standard will have on The Society's consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). This update requires a lessee to record, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset for the lease term and a liability to make lease payments. For leases with a lease term of 12 months or less, a practical expedient is available whereby a lessee may elect, by class of underlying asset, not to recognize a right-of-use asset or lease liability. A lessee making this accounting policy election would recognize lease expense over the term of the lease, generally in a straight-line pattern. This guidance is effective for financial statements issued for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. In transition, a lessee and a lessor will recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The modified retrospective approach includes a number of optional

Notes to the Consolidated Financial Statements

practical expedients. These practical expedients relate to identifying and classifying leases that commenced before the effective date, initial direct costs for leases that commenced before the effective date, and the ability to use hindsight in evaluating lessee options to extend or terminate a lease or to purchase the underlying asset. The Society is evaluating the effect that adoption of this new standard will have on The Society's consolidated financial statements.

2. Investment Income

Investment income (loss) is comprised of the following for the year ended December 31, 2015:

Net unrealized (losses)	\$ (9,489,373)
Net realized gains	2,826,903
Dividends and interest	1,910,352
Less: investment management fees	(367,942)
·	\$ (5,120,060)

3. Contributions, Bequests and Other Receivables

Contributions, bequests, and other receivables consist of the following at December 31, 2015:

Bequests	\$ 9,037,297
Contributions and other receivables	9,743,655
60th Anniversary campaign	2,076,675
Grants	2,295,743
	 23,153,370
Less: allowance for uncollectible contributions, bequests and anniversary campaign (5.1%, 6.4% and 10.6% respectfully)	(819,105) (113,610)
Less: discount on multi-year contributions and bequests (0.38%)	

Gross contributions,	bequests and	other	receivables	are e	expected to	be c	ollected	in:		
سند ممم مصطف حدد ا	•								40 704 NEC	٦.

Less than one year	3 10,701,030	
One to five years	4,372,320	
	\$ 23,153,370	

Notes to the Consolidated Financial Statements

4. Property and Equipment

Property and equipment consists of the following at December 31, 2015:

Land	\$ 18,345,942
Buildings and improvements	21,810,037
Office furniture and equipment	3,863,956
Automobiles	2,260,522
Construction-in-progress	856,274
Less: accumulated depreciation and amortization	(16,359,400)
	\$ 30,777,331

Depreciation and amortization expense totaled \$1,412,714 for the year ended December 31, 2015.

5. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist of the following at December 31, 2015:

Accounts payable		\$	8,936,718
Accrued vacation			2,285,185
Accrued wages	ALTERNATION		1,737,384
Other accrued expenses			3,260,373
	./		
	the state of the s	Ş	16,219,660

6. Annuities and Unitrusts

The annuities and unitrusts liability represents the future annuity payments due under charitable gift annuities and charitable remainder unitrusts determined by an actuary.

For charitable gift annuities, donors make contributions to The Society, for which they receive an annuity from The Society. Contributions revenue is recognized as the excess of the fair value of assets received over the net present value of the future annuity payments due. The liability was determined by an actuary using the Annuity Table of Mortality IAR-2015 and assumed interest rates of 1.0% to 10.2%. A portion of the monies received from these split-interest agreements is required by law to be reserved for making the annuity payments. At December 31, 2015, the actuarial calculated liability was \$9,784,942, resulting in a change in the liability of \$2,425,156 in for the year ended December 31, 2015. The significant increase in the liability resulted from a change in the mortality tables that were used to calculate this liability.

Notes to the Consolidated Financial Statements

For charitable remainder unitrusts, donors make contributions to trusts which provide an income stream to the donor until a stipulated event, at which time the remaining account balance conveys to The Society. The gifts are valued at their fair market value at the time of the gift. In consideration of the gifts, donors receive an annuity from the trust based on the lesser of (a) the trust principal multiplied by a stated interest rate or (b) the actual earnings of the trust. The future liability was calculated using assumed interest rates of 5.0% to 11.6%. At December 31, 2015, the amount of assets held in charitable unitrusts, which is restricted for the payment of related annuities, was \$679,697. The net assets of the trusts of \$726,311 are included in temporarily restricted net assets in the accompanying consolidated balance sheet.

7. Severance Plan (Employment Longevity Retirement Enhancement Benefit)

The Society established The Humane Society of the United States Severance Pay Plan (Severance Pay Plan) on September 13, 1997, to grant severance benefits to eligible employees. These benefits and related expenses are paid from the general assets of The Society. Only employees hired in full-time or part-time positions before January 1, 1998, who have completed a minimum of 15 years of continuous full-time employment with The HSUS, are eligible to become participants in the Severance Pay Plan. Upon termination of employment (for reasons other than gross misconduct), a participant receives a lump sum equal to 2% of the average of his or her annual base salary for the three calendar years before cessation of employment, multiplied by the number of years of continuous full-time employment accrued by the employee, subject to a maximum benefit of two years base salary. The benefit obligation of the Severance Pay Plan as of December 31, 2015, was calculated by an actuary, based on a census provided by The Society, using an assumed discount rate of 3.41%. There was no assumed compensation increase. The amount of the liability related to the Severance Pay Plan was \$1,234,595.

ري يعينوه مرتي يبعد الراراف

8. Deferred Compensation Plan

In 1983, The Society established The Humane Society of the United States Deferred Compensation Plan (Defined Compensation Plan) for certain executive employees. The Society and the participants may elect to defer a portion of the compensation that the participants would otherwise be entitled to receive in cash, and those deferrals are invested in various mutual funds. The mutual funds are owned by The Society, subject to the claims of its general creditors. The obligation of The Society under the Defined Compensation Plan is purely contractual and is not secured. All income earned by the mutual funds is added to the deferred compensation liability. The amounts deferred by participants of the Defined Compensation Plan during the year ended December 31, 2015, which were included in the amounts reported in the accompanying consolidated financial statements as salaries, totaled \$18,000.

The Deferred Compensation Plan assets and the related liability totaled \$307,802 at December 31, 2015.

Notes to the Consolidated Financial Statements

9. Retirement Plans

Pension

The Humane Society of the United States Pension Plan (the Pension Plan) is a qualified participating defined benefit plan that provides regular employees of The Society benefits equal to 2% of earnings for each year of credited service, up to a maximum of 25 years. Participants accrue benefits over the years of their employment, although normal pension benefits are not payable until age 65. Participants choosing earlier payment receive substantially reduced benefits. Effective December 31, 2007, any employees hired on or after January 1, 2008, are not eligible to participate in the Pension Plan.

The following table summarizes the pension benefit obligation, the fair value of Pension Plan assets, and the funded status of the Pension Plan at December 31, 2015:

Change in pension benefit obligation		
Benefit obligation, beginning of year	\$	45,948,508
Service cost		1,605,820
Interest cost		1,683,086
Participant contributions		192,665
Benefit payments		(2,128,989)
Administrative expenses		(8,539)
Actuarial loss		(845,460)
Plan amendments		(6,034,930)
Benefit obligation, end of year	\$	40,412,161
Change in plan agents		
Change in plan assets Fair value of Pension Plan assets, beginning of year		22 000 450
Employer contributions	\$	32,099,159
Participant contributions		2,216,707
Benefit payments		192,665 (2,128,989)
Administrative expenses		(8,539)
Actual return on Pension Plan assets		(1,125,884)
		(1),1()
Fair value of Pension Plan assets, end of year	\$	31,245,119
Fundad status of Dancies Dian, and of year	ئ	(0.4(7.02.0)
Funded status of Pension Plan, end of year	\$	(9,167,024)
The following table provides the components of net periodic pension co	act fo	r vear andod
December 31, 2015:	136 10	year ended
Service cost on projected benefit obligation	\$	1,628,980
Interest cost on projected benefit obligation		1,683,086
Expected return on plan assets		(2,153,432)
Amortization of unrecognized loss		1,467,445
Net periodic pension cost	S	2,626,079
	~	m, 02,0,017

Notes to the Consolidated Financial Statements

The Pension Plan had an accumulated benefit obligation of \$40,435,321 as of December 31, 2015. The accumulated benefit obligation is identical to the pension benefit obligation, with the exception that the accumulated benefit obligation does not consider the effects of future compensation levels.

Amounts reducing net assets at December 31, 2015, not yet reported as net periodic benefit cost (expense), are \$9,167,024. The Society expects to amortize \$966,076 of the net loss into net periodic benefit cost in 2016.

The following assumptions were used by the actuary in determining The Society's Pension Plan benefit obligation as of December 31, 2015:

Long-term rate of investment return	6.75%
Discount rate for net cost	3.82%
Weighted-average discount rate for benefit obligations	4.02%

The basis for the expected long-term rate of return on Pension Plan assets for the year is based on a five-year rolling average of actual investment returns realized, further adjusted for anticipated future rates of return.

Expected cash flow information for the years after the current fiscal year is as follows:

Expected employer contributions	\$ 2,400,000
Year 1 expected benefit payments	4,347,884
Year 2 expected benefit payments	3,322,984
Year 3 expected benefit payments	3,312,820
Year 4 expected benefit payments	2,535,404
Year 5 expected benefit payments	2,709,740
Years 6-10 expected benefit payments	11,583,667

See Note 21 for information on the fair value of the Pension Plan assets.

On September 26, 2015, The HSUS's Board of Directors resolved to fully freeze the Pension Plan effective December 31, 2015. No additional benefits will accrue under the Pension Plan after that date. All participates became fully eligible to participate in the 401(k) Plan effective on the freeze date and all participants were deemed eligible for the maximum fixed contribution for the 401(k) Plan effective on the freeze date.

Defined contribution

The Society adopted The Humane Society of the United States 401(k) Savings Plan (the 401(k) Plan), a defined contribution retirement plan qualified under Sections 401(k) and 402(a) of the IRC, as amended, effective January 1, 2008. Employees hired on or after January 1, 2008, are eligible to participate in the 401(k) Plan on an automatic enrollment basis. Employees hired prior to January 1, 2008, who have not attained age 50 by December 31, 2007, can elect to waive coverage in The Humane Society of the United States Pension Plan on an irrevocable basis and will then be eligible to participate in the 401(k) Plan.

Notes to the Consolidated Financial Statements

Eligible participants are automatically enrolled to contribute 3% of pay their first year. This amount is automatically increased by 1% until a 6% salary deferral is achieved. Participants may elect to contribute higher amounts, up to 80% of pay, subject to annual dollar limitations.

The Society will make a matching contribution each pay period. The Society makes matching contributions at a rate of 100% of the first 1% of the participant's salary deferred into the 401(k) Plan and 50% of the next 5% of the participant's salary deferral.

The Society will make an annual fixed contribution for all eligible participants employed on the last day of the 401(k) Plan year, based on years of service, up to 6% of compensation. The Society contributed \$827,235 to the 401(k) Plan during the year ended December 31, 2015.

10. Line-of-Credit

The HSUS has a \$20 million line of credit with Bank of New York Mellon. The line of credit accrues interest at the LIBOR Market Index Rate for one-month U.S. dollars plus 65 basis points (.201% as of December 31, 2015). The line of credit is secured by certain investments of The HSUS and is subject to certain covenants, as defined in the agreement. The outstanding balance at December 31, 2015 was \$8,502,312. There were no payments made during 2015. The Line-of-Credit was fully repaid in January 2016. The line-of-credit can be terminated upon demand.

11. Medical and Prescription Insurance Plans

Under the medical and prescription partially self-funded insurance plan for current employees, The Society is responsible for claims up to \$125,000 per participant annually and aggregate claims up to \$4,237,670 annually. The Society is insured for claims in excess of \$100,000 per participant up to \$1,000,000 lifetime maximum. The Society has accrued for the expected cost of unpaid, reported claims and claims incurred but not yet reported. The accrual is based on historical claims experience and the number of employees. As of December 30, 2015, the accrual for the unpaid claims, net of insurance recoveries, totaled \$712,500, which was included in accounts payable and accrued expenses on the consolidated statement of financial position.

12. Commitments

The Society leases certain office space and equipment under long-term non-cancelable operating leases. The leases provide for payment of increases in operating expenses, sales and use taxes, and insurance. Rental expense for the year ended December 31, 2015, was \$726,118. As of December 31, 2015, the future minimum lease commitments under non-cancelable operating leases are the following:

Years Ended December 31,	
2016	\$ 1,049,413
2017	1,391,426
2018	1,358,988
2019	1,347,983
2020	1,269,725
Thereafter	14,755,247

21,172,782

Notes to the Consolidated Financial Statements

13. Contingencies

The Society is a defendant in various lawsuits wherein amounts are claimed. In the opinion of The Society's legal counsel and management, these suits are without substantial merit and are not expected to result in judgments, which, in the aggregate, would have a material adverse effect on The Society's consolidated financial statements.

14. Unrestricted Net Assets

Unrestricted net assets are available to finance the general operations of The Society. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of The Society, the environment in which it operates, and the purposes specified in its articles of incorporation. Voluntary resolutions by The Society's directors to designate a portion of its unrestricted net assets for specified purposes do not result in restricted funds. Since designations are voluntary and may be reversed by the governing board at any time, designated net assets are included with unrestricted net assets.

Unrestricted net assets are held by the following funds at December 31, 2015:

Board designated	,	
Investment fund	\$	78,537,954
Endowment fund		275,394
Black Beauty Ranch		777,573
Total board designated		79,590,921
Undesignated		75,887,676
Total unrestricted net assets	· \$	155,478,597

15. Temporarily Restricted Net Assets

Temporarily restricted net assets result from gifts of cash and other assets with donor-imposed restrictions to (a) support of particular operating activities, (b) investment for a specified term, (c) use in a specified future period, or (d) acquisition of long-lived assets.

Notes to the Consolidated Financial Statements

Changes in temporarily restricted net assets by restriction purpose for the year ended December 31, 2015 were as follows:

	Balance at December 31, 2014 (restated - see Footnote 22)	Additions (Reductions)	Releases From Restriction	Balance at December 31, 2015
Unitrust	\$ 372,971	\$ (60,243)	\$ -	\$ 312,728
Animal welfare programs	17,822,707	25,155,576	20,630,542	22,347,741
Scholarships	66,710	(4,933)	3,618	58,159
Support of other humane organizations	597,876	2,322,587	89,348	2,831,115
Endangered species	2,431,041	,,	, .	2,431,041
Doris Day Animal League	5,945,592	2,517,056	2,723,774	5,738,874
Fund for Animals	7,226,363	6,895,391	8,095,206	6,026,548
Humane Society				
International	2,014,050	5,912,274	3,713,257	4,213,067
Project Chimps	11,838	1,389,506	286,536	1,114,808
South Florida Wildlife Center	170,332	1,674,135	3,956,889	(2,112,422)
Wildlife Land Trust	4,508,829	3,026,656	3,994,715	3,540,770
	\$ 41,168,309	\$ 48,828,005	\$ 43,493,885	\$ 46,502,429

During 2015, assets were released from donor restrictions by The Society incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by donors, as follows:

Donor-specified program expenses of the organization Gifts to other humane organizations	\$ 36,817,784 6,527,735
Restricted fund investment expenses	148,366
	\$ 43,493,885

16. Endowments

The Codification defines an endowment as an established fund of cash, securities, or other assets to provide income for the maintenance of a not-for-profit organization. Management has interpreted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) as requiring the preservation of the fair value of original donor-restricted contributions as of the date of the gift, absent explicit donor stipulations to the contrary. As a result of this interpretation, The Society classifies as permanently restricted net assets (a) the original value of permanently restricted contributions and (b) the discounted value of future permanently restricted contributions, net of allowance for uncollectible pledges.

Notes to the Consolidated Financial Statements

The remaining portion of donor-restricted contributions is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, The Society considers the following factors in making a determination to appropriate or accumulate donor-restricted contributions:

- The purposes of the endowment fund
- The duration and preservation of the fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other available financial resources
- Investment policies

Investment and spending policies: The Society has adopted investment and spending policies for permanently restricted cash contributions that attempt to provide a predictable stream of funding to programs while maintaining purchasing power. All earnings from these funds are reflected as temporarily restricted net assets, until appropriated for program expenditures.

The Society's endowment (deficit) funds consist of the following as of December 31, 2015:

		Board Designated		emporarily Restricted	Permanently Restricted	Total
Donor restricted endowment (deficit) funds	ć .	(2,268,434)	ر خ	895,193	\$ 30,740,204	\$ 29,366,963
Board designated endowment funds	ې <u>.</u> 	275,394	ب	073,173	3 30,740,204	275,394
	\$	(1,993,040)	\$	895,193	\$ 30,740,204	\$ 29,642,357

The endowment fund activity consists of the following for the year ended December 31, 2015:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of the year				
(restated - see Note 22) \$	(485,803)	\$ 1,039,271	\$ 30,765,204	\$ 31,318,672
Investment return: Interest and dividends Realized and	90,441	7,742	-	98,183
unrealized (losses) on investments Amounts appropriated for	(733,723)	(63,500)	-	(797,223)
expenditure	(1,139,349)	(88,320)	(25,000)	(1,252,669)
Endowment net assets, end of year \$	(2,268,434)	\$ 895,193	\$ 30,740,204	\$ 29,366,963

Notes the Consolidated Financial Statements

Permanently restricted net assets-fund categories at December 31, 2015:

Income producing assets; income is expendable to support the following:	
To defray operating expenses	\$ 3,095,894
To award scholarships to State of Connecticut secondary school students	2,479
To be used for the best interests of the organization	14,272,959
To support other humane organizations	1,502,039
20% of income to be used to support the Norma Human Education and	
Nature Center, and 80% of income to be used for general purposes	2,375,639
To be used for the State of New Hampshire wildlife	127,820
To be used for the betterment of song birds	802,464
Non-income producing assets	
Land and easements held to preserve natural habitats for wildlife	8,560,910
Total permanently restricted net assets	\$ 30,740,204

Income earned on investments in the permanently restricted net assets class is reported in the accompanying consolidated statement of activities and changes in net assets as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the nature of donor-imposed restrictions on such earnings. For all endowment funds with negative unrestricted net assets, all earnings are reflected as unrestricted net assets, until the net assets are replenished. At such time, such earnings from these funds will thereafter be reflected as temporarily restricted net assets.

17. Allocation of Joint Costs

The Society has allocated the joint costs of providing educational materials and activities that include a fundraising appeal. Since only those activities that include both programmatic and fundraising components are included in this allocation, the amounts below do not include all of the expenses presented in the consolidated statement of functional expenses. This allocation is based upon the percentage of material in each mailing or television advertising related to the particular services as determined by content analysis. Total costs for mailing pieces and television advertising spot that requested financial support and served other program or management functions were allocated as follows for the years ended December 31, 2015:

Programs	\$ 18,804,236
Fundraising	22,679,533
Membership development	875,482
	\$ 42,359,251

Notes to the Consolidated Financial Statements

18. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability between market participants in an orderly transaction on the measurement date. The market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability is known as the principal market. When no principal market exists, the most advantageous market is used. This is the market in which the reporting entity would sell the asset or transfer the liability with the price that maximizes the amount that would be received or minimizes the amount that would be paid. Fair value is based on assumptions market participants would make in pricing the asset or liability. Generally, fair value is based on observable quoted market prices or derived from observable market data when such market prices or data are available. When such prices or inputs are not available, the reporting entity should use valuation models.

The Society reports certain investments using the net asset value per share as determined by investment managers under the so called "practical expedient". The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using this method are met.

ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring the use of observable inputs when available. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under ASC 820 are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that The Society has the ability to access.
- Level 2 Inputs to the valuation methodology include
 - o Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - o Inputs other than quoted prices that are observable for the asset or liability;
 - o Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
 - o If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Assets held in The Society's defined benefit plan are also subject to the fair value measurement requirements and are separately disclosed (Note 21). Therefore, they are not included in the level summaries or tables presented below.

Notes to the Consolidated Financial Statements

Fair value on a recurring basis - assets

The table below presents of assets measured at fair value on a recurring basis by level within the hierarchy:

	As of December 31, 2015							
-	Asse	ets						
	Measi							
	At Net	Asset			Fa	ir Value Hier	archy Level	
Description	Val	ue	Level	1		Level 2	Level 3	Total
Hedge funds								
Equity long/short Fund of funds	\$ 3,92	25,865	5	-	\$	- \$	41,846,047	\$ 45,771,912
Equity long/shore		_		_		-	5,500,000	5,500,000
Global opportunities Equity funds	12,23	36,376		-		-	-	12,236,376
International	18,28	6,734		-		-	5,000,000	23,286,734
Private equity funds								
Debt securities		-		-		•	11,647,776	11,647,776
Global opportunities		12,505		-		-	6,721,593	14,564,098
Other Fixed income securities	7,26	7,261				-	12,634,805	19,902,066
U.S. government and							•	
agency obligations				^				
(AAA rated)		_		_		5,104,877	_	5,104,877
Corporate bonds (AAA to						3,701,077		3,10-1,077
A rated)		-		-		1,338,322		1,338,322
Corporate bonds (BBB to						, ,		.,,
Brated)				-		601,658	-	601,658
Asset backed fixed								
income securities (AAA								
rated)		-		-		54,423	-	54,423
General obligation and								
other (AAA and BBB						100 610		
rated)		-		-		185,649	-	185,649
Equity mutual funds			204	- 17				204 5 477
Commodities		-	381,			-	-	381,547
Large cap blend		-	6,231,			•	-	6,231,748
Emerging markets Global opportunities		-	6,174, 10,587,			-	-	6,174,697
Small cap blend		_	1,069,			•	-	10,587,114 1,069,024
Real estate		_	458,				_	458,334
Other		_	14,782,			1,218,815	Ţ	16,001,379
Other			11,702,			1,210,013		10,001,377
Fixed income mutual								
fund		-	2,807,	755			_	2,807,755
Equity securities		-	10,212,3			-		10,212,364
Exchange traded fund		-	14,105,4	455		-	-	14,105,455
Other investments		-	· ,	-		-	1,330,000	1,330,000
Total fair value								
investments	\$ 49,55	8,741 \$	66,810,6	502 .	\$	8,503,744 \$	84,680,221	\$ 209,553,308

Certain investments that are measured at fair value using net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the accompanying consolidated statements of financial position.

Notes to the Consolidated Financial Statements

In accordance with the guidance for fair value measurements, The Society maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. Fair value is based on actively quoted market prices, if available. In the absence of actively quoted market prices, price information from external sources, including broker quotes and industry publications is used. If pricing information from external sources is not available, or if observable pricing is not indicative of fair value, judgment is required to develop the estimates of fair value. In those cases, The Society estimates prices based on available historical and near-term future price information that reflects its market assumptions.

For contracts with unique characteristics, The Society estimates fair value using a discounted cash flow approach deemed appropriate in the circumstances and applied consistently from period to period.

Changes in fair value levels

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. The Society's management evaluates the significance of transfers between levels based upon the nature of the investment. For the year ended December 31, 2015, there were no significant transfers in or out of Level 3.

Level 3 gains and losses

For assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3), a reconciliation is required of the beginning and ending balances, separately, for each major category of assets and liabilities, except for derivative assets and liabilities, which may be presented net. The table below represents the reconciliation of The Society's assets measured at fair value on a recurring basis using significant unobservable inputs:

		L	evel 3 Assets	;	
				Private	
	Hedge Funds	Fund of Funds	Equity Funds	Equity Funds	Other Investments
Balance at					
January 1, 2015	\$ 41,514,446 \$	- \$	-	\$ 26,506,547	\$ 1,330,000
Purchases	1,000,000	5,500,000	5,000,000	8,278,453	-
Sales	-	-	-	(3,105,675)	-
Management fees	-	-	-	-	-
Realized and					
unrealized losses	(668,399)	-	-	(675,151)	
Transfer between					
Levels 2 and 3	-	-	-		-
Dolongo et					
Balance at December 31, 2015	\$ 41,846,047 \$	5,500,000 \$	5,000,000	\$ 31,004,174	\$ 1,330,000

Notes to the Consolidated Financial Statements

The following table presents the amount of total losses for the corresponding year included in the change in net assets attributable to unrealized gains or losses relating to assets held at December 31, 2015:

Hedge funds	\$ (1,058,884)
Fund of funds	(297, 179)
Private equity funds	(229,073)
Equity funds	(4,974,847)
Other investments	(102,487)

The major categories of The Society's investments that are valued at net asset value or its equivalent or are measured at Level 3, including general information related to each category, are as follows at December 31, 2015:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge funds - equity long/short (a) Fund of funds - (b) Private equity funds (c)	5 45,771,912 17,736,376 46,113,940	\$ 3,864,430	Monthly, Quarterly and Bi-Annually Semi-Annually None	15-90 days 60-65 days N/A
Equity funds - international long/short (d) Other investments (e)	23,286,734 1,330,000		Annually None	60 days N/A
· · · · · · · · · · · · · · · · · · ·	134,238,962	\$ 3,864,430	Addition and the second of the	

- (a) This category includes investments in hedge funds that invest both long and short in various domestic and international common stocks. Management of the various funds have the ability to shift from value to growth strategies, from small to large capitalization stocks, and from a net short position to a net long position. The fair value of the investments in this category has been estimated using the net asset value per share of the investments, or The Society's ownership interest in partners capital.
- (b) This category includes an investment in a fund of funds that holds the majority of the funds' investments in non-U.S. common stocks, debt instruments, and diversified currencies. The fair value of the investment in this category has been estimated using the net asset value per share of the investment, or The Society's ownership interest in partners capital.
- (c) This category includes several private equity funds. These investments can never be redeemed with the funds. Instead, the nature of the investments in this category is that distributions are received through the liquidation of the underlying assets of the funds. As of December 31, 2015, it was probable that the investments in this category would be liquidated at an amount different from the net asset value of The Society's ownership interest in partners' capital. Therefore, the fair value of the investments in this category has been estimated using recent observable transaction information received from

Notes to the Consolidated Financial Statements

potential buyers of the investments. It is estimated that the underlying assets of the funds will be liquidated over five to eight years.

- (d) This category includes investments in international equities invested to seek both long and short term growth. The fair value of the investments in this category has been estimated using net asset value per share of the investment, or The Society's ownership interest in partners capital.
- (e) This balance reflects The Society's direct investments in various entities whose purpose aligns with the Society's mission. These organizations are privately held and are independently valued infrequently resulting in limited observation of the fair value of The Society's investment.

Quantitative information as of December 31, 2015 with respect to assets measured and carried at fair value on a recurring basis with the use of significant unobservable inputs (Level 3) follows:

		Fair	Principal Valuation	Unobservable	Weighted
	Description	Value	Technique	Inputs	Average
	Hedge funds	\$ 41,846,047	Market Approach	Values assigned to underlying funds/assets less liabilities	N/A
برياد	Fund of funds	5,500,000	Market Approach	Values assigned to underlying funds/assets less	N/A
	Equity funds	5,000,000	Market Approach	liabilities Values assigned to underlying funds/assets less	N/A
	Private equity funds	31,004,174	Market Approach	liabilities Values assigned to underlying funds/ssets less	N/A
مقدر	Other investments	1,330,000	Original Investment	liabilities Financial statements	N/A

Valuation Process for Level 3 Instruments

In estimating fair value of the investments in Level 3, management may use third-party pricing sources or appraisers. In substantiating the reasonableness of the pricing data provided by third parties, management evaluates a variety of factors including review of methods and assumptions used by external sources, recently executed transactions, existing contracts, economic conditions, industry and market developments, and overall credit ratings.

Notes to the Consolidated Financial Statements

Fair Value on a Nonrecurring Basis

The fair value of The Society's cash and cash equivalents, accounts receivable, prepaid and other assets, accounts payable, notes payable accrued expenses approximate their carrying amounts due to the short maturity of these instruments.

The fair value of The Society's contributions receivables and annuity and split-interest liability is estimated using a discounted cash flow analysis based on the current U.S. Treasury rate for the applicable term.

The fair value of The Society's deferred compensation liability is based on the fair value of the deferred compensation assets and is therefore a level 2 instrument.

The following table presents the carrying values and the fair values of other significant financial assets and liabilities that qualify as financial instruments, determined in accordance with the authoritative guidance for fair value disclosures of financial instruments, at December 31, 2015:

	Level in Fair Value	Carrying	
	Hierarchy	Amount	Fair Value
Contributions receivable, net	2	\$ 22,220,655	\$ 23,147,411
Severance obligation	2	1,234,595	1,234,595
Deferred compensation liability	2	307,802	307,802
Annuity and split-interest liabilities	2	10,451,683	16,217,577

19. Concentrations

For the year ended December 31, 2015, one donor accounted for 10% of The Society's total revenue.

20. Related Parties

In May 2015, The HSUS entered into a Limited Liability Company Agreement with Whole Foods Market Services, Inc. (Whole Foods) for the creation of the United States of Animals LLC (the LLC). The LLC was formed for the purpose of financing the production of a feature-length documentary motion picture on the welfare of farm animals, and to distribute the film. The HSUS provided \$1,000,000 of funding for the LLC in 2015, representing its share of costs for the project. Whole Foods contributed \$2,000,000 to the project.

On January 6, 2015, The HSUS Chief Executive Officer (CEO) and The HSUS entered into an agreement with Harper Collins Publishers. The CEO is writing a book on how creative entrepreneurs, enlightened consumers, and technological innovations are driving the emergence of a humane economy with profound benefits to animals. The book is to be published by Harper Collins in 2016. Royalties are to be split equally between the CEO and The HSUS. The CEO and The HSUS each received advance payments against future royalties totaling \$46,750 in 2015.

Notes to the Consolidated Financial Statements

21. Fair Value Measurements - Defined Benefit Plan

Fair value on a recurring basis - pension assets

The table below presents the balances of the pension assets measured at fair value on a recurring basis by level within the hierarchy:

	As of December 31, 2015									
	Assets Measured At Net		Fair Value Hierarchy Level							
Description	Value		Level 1		Level 2		Level 3	Total		
Hedge funds										
Equity long/short Equity funds	\$ -	\$	-	\$	-	\$	9,701,775 \$	9,701,775		
International Global opportunities	6,652,660 908,201		-		-		1,000,000	7,652,660 908,201		
Cash and cash equivalents Mutual fünds	- - <u>-</u>		267,261				-	267,261		
Foreign large growth		195	937,876		-		-	937,876		
Foreign large blend Large blend			2,768,780 1,568,715		-		-	2,768,780 1,568,715		
Large growth Large blend	- · · · · · · · · · · · · · · · · · · ·		1,668,180 3,885,966				-	1,668,180 3,885,966		
Other			1,885,705		-		***************************************	1,885,705		
Total fair value investments	\$ 7,560,861	\$	12,982,483	\$, ~	\$	10,701,775 \$	31,245,119		

^{*} Certain investments that are measured at fair value using net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the accompanying consolidated statements of financial position.

Changes in fair value levels

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. The Community Foundation's management evaluates the significance of transfers between levels based upon the nature of the investment. For the year ended December 31, 2015, there were no significant transfers in or out of Level 3.

Notes to the Consolidated Financial Statements

Level 3 gains and losses

For assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3), the Topic requires reconciliation of the beginning and ending balances, separately, for each major category of assets and liabilities, except for derivative assets and liabilities, which may be presented net. The table below represents the reconciliation of The Society's assets measured at fair value on a recurring basis using significant unobservable inputs:

	_	 Level 3 As	sets
		Hedge Funds	Equity Funds
Balance at January 1, 2015 Purchases Sales		\$ 9,060,500 \$ 1,500,000 (600,000)	1,000,000
Management fees Realized and unrealized (losses) Transfer between Levels 2 and 3	***	 (258,725)	-
Balance at December 31, 2015		\$ 9, 7 01,775 \$	1,000,000

The following table presents the amount of total gains (losses) for the corresponding year included in the change in net assets attributable to unrealized gains or losses relating to assets held at December 31, 2015:

Private equity funds	\$ 45,816
Hedge funds	(206,940)
Equity funds	(872,270)
Other investments	(51,759)

The major categories of The Society's investments that are valued at net asset value or its equivalent or are measured at Level 3, including general information related to each category, are as follows at December 31, 2015:

	Fair Value	C	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge funds - equity long/short (a)	\$ 9,701,775	\$	•	Monthly, Quarterly and Bi-Annually	15-90 days
Equity funds - international long/short (b)	\$ 8,560,861 18,262,636	\$	-	Annually	60 days

Notes to the Consolidated Financial Statements

- (a) This category includes investments in hedge funds that invest both long and short in various domestic and international common stocks. Management of the various funds have the ability to shift from value to growth strategies, from small to large capitalization stocks, and from a net short position to a net long position. The fair value of the investments in this category has been estimated using the net asset value per share of the investments, or The Society's ownership interest in partners capital.
- (b) This category includes investments in international equities invested to seek both long and short term growth. The fair value of the investments in this category has been estimated using net asset value per share of the investment, or The Society's ownership interest in partners capital.

22. Restatement

The Society's consolidated financial statements for 2014 have been restated to properly reflect the release of net assets that occurred during and prior to the year ended December 31, 2014. The Society has historically taken a conservative approach to the interpretation of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) as requiring the preservation of the fair value of original donor-restricted contributions. The Society had annually adjusted permanently restricted net assets by the change in the Consumer Price Index (CPI). Any earnings in excess of the change in the CPI had been classified as temporarily restricted net assets. The effect of the restatement is to decrease the balance in the permanently restricted net assets to the original value of the donor-restricted contributions and to increase the balance in the unrestricted and temporarily restricted net assets as of December 31, 2014.

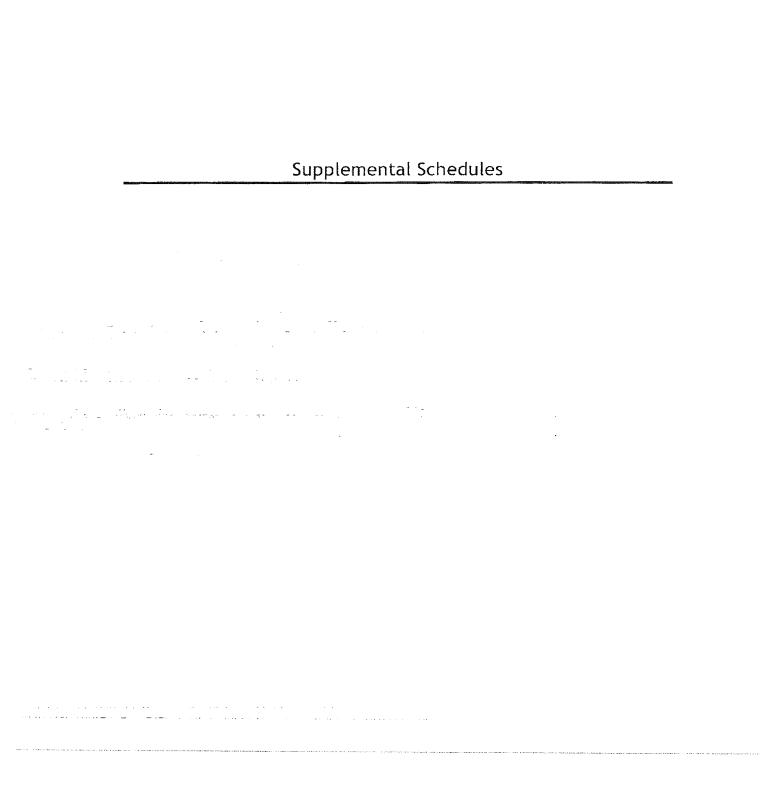
The following is a summary of the effect of this restatement balances reported in the 2014 consolidated financial statements:

Description	Balance as previously reported	 Restatement	**,	Restated amount
As of January 1, 2015:				
Unrestricted net assets	\$ 150,409,371	\$ 11,223,198	\$	161,632,569
Temporarily restricted net assets	40,756,573	411,736		41,168,309
Permanently restricted net assets	42,400,138	(11,634,934)		30,765,204

23. Subsequent Events

On January 7, 2016, The HSUS received the proceeds from the sale of its office building located in Washington D.C. The building's original cost was \$2,070,470 which was included in Building and Improvements in Footnote 4 as of December 31, 2015. The proceeds of the sale totaled \$11,000,000.

The Society evaluated subsequent events from the date of the consolidated statement of financial position-through June 1, 2016, the date at which The Society's consolidated financial statements were issued. No other material subsequent events were identified for either recognition or disclosure except as discussed in Footnote 10.





Tel: 703-893-0600 Fax: 703-893-2766 www.bdo.com 8401 Greensboro Drive. Suite 800 McLean, VA 22102

Independent Auditor's Report on the Supplemental Schedules

To the Board of Directors
The Humane Society of the United States
Washington, D.C.

Our audit of the consolidated financial statements of The Humane Society of the United States and Affiliates included in the preceding section of this report were conducted for the purpose of forming an opinion on those consolidated statements as a whole. The supplemental schedules presented in the following section of this report is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

BDO USA, LLP

June 1, 2016

The Humane Society of the United States and Affiliates

Consolidating Schedule of Financial Position

As of December 31, 2015	HSUS	DDAL	FFA	HS:	HSU	HSVMA	S S	SFWC	HSWLT	Etiminations	Consolidated
Assets					* The state of the						
Cash and cash equivalents Investments	\$ 11,465,816	\$ 87,911 \$	82,386	\$ 851,381 \$	48,817 \$	84,917	\$ 623,418	\$ 711,117 \$	\$ 221,574 \$	•	\$ 13,543,337
Investments to fund deferred	***************************************	300,000	i	Ī	•	•	•	•	4,486,064	•	805,256,802
compensation liability	307,802	•			•	٠	•	•		,	307,802
Due from affiliates*	•	,	•		•		•	٠	•	,	•
Accrued interest receivable	112,489	214		,	•	٠	•	•	1,243		113,946
Prepaid expenses and other assets Contributions, bequests and	3,798,617		•	112,380		•		•		(1,823,070)	2,087,927
other receivables, net Property and equipment not	16,814,260	115,852	2,865,376	2,084,295	38,908	19,483	1,417,930	120,303	162,178	(1,417,930)	22,220,655
י ספרול אום בלמוסוופוני, וופנ	10,296,232		9,391,048			77,854	1,575,157	286,923	9,148,117		30,777,331
Total assets	\$ 249,379,458	\$ 688,979 \$	12,338,810	\$ 3,048,056 \$	87,725 \$	182,254	\$ 3,616,505	\$ 484,343	\$ 12,019,176 \$	(3,241,000)	\$ 278,604,306
Liabilities and Net Assets											
Liabilities											
Accounts payable and											
Accrued expenses	\$ 16,138,201	\$ 11,591 \$	223.154	S 956,798 S		97.645	5 1 696	1 696 5 170 107 5	28 308 5	2 1059 715 17	0 16 219 660
Notes payable		•	1.823.070	•	,				0,000		
Due to Affiliates*	861.908	(5.061.486)	4 266 038	54 442			, ,	•	.120 0021	(0/0,620,1)	
Annuities and unitrusts	10.451.683	,	900	1 .	,	,			(150, 200)		, 67 454 04
Line of credit	8,502,312	•	,				•			•	0 500 343
Realized and unrealized (losses)	1 234 595	•	,	,	,	ı		•	•		2) 5,205,0
Deferred compensation (fability	307.807	•			• ,	•	•			•	666,957,1
Change in not accute hefore annuity and continu	200,000		,	•		.			•		307,802
ביומווצב יון ווכר מספרס חבוחוב מוווחול מיוח חבווסונו	9, 107,024	.						,			9,167,024
Total liabilities	46,663,525	(5,049,895)	6,312,262	1,011,240		97,645	1,696	170,107	(82,504)	(3,241,000)	45,883,076
Net Assets (Deficit)											
Unrestricted											
Board Designated	79,590,921	•						,	•		79,590,971
Undesignated	72,964,935	•		(2,191,108)	87,725	84,609	٠	٠	•	4,941,515	75,887,676
MAY 1/20 Processing 13 Print	152,555,856	•		(2,191,108)	87,725	84,609				4,941,515	155,478,597
Temporarily restricted	27,980,783	5,738,874	6,026,548	4,227,924			3,614,809	314,236	3,540,770	(4,941,515)	46,502,429
Permanently restricted	22,179,294	,	٠	•			,		8,560,910	•	30,740,204
Total net assets	202,715,933	5,738,874	6,026,548	2,036,816	87,725	84,609	3,614,809	314,236	12,101,680		232,721,230
Total liabilities and net assets	\$ 249,379,458	\$ 688,979 \$	\$ 12,338,810 \$ 3,048,056	\$ 3.048.056 \$	87.725 \$	182.254	\$ 3.616.505	\$ 484.343 \$	1		(3.241.000) \$ 278.604.306
'Eliminated in consolidation.				1				1			

The Humane Society of the United States and Affiliates

Assets
in Net
Thange in
and (
Actiivities
Schedule of
Consolidating 5

					5						
Year Ended December 31, 2015	HSUS	DDAL	FFA	HSI ,	HSU	HSVMA	PC	SFWC	HSWLT	Eliminations	Consolidated
As of December 31, 2015			ī.							***	
Contributions	\$ 137,463,679 \$	1,776,034 \$	3,116,919	\$ 11,420,122	249 \$	\$ 507 609	\$ 1 389 471	\$ 1 084 808	5 2 851 738		\$ 150 710 023
Bequests	22,104,374	740,545		327,620						,	27.527.754
Interest and dividends	1,807,523	1,559	•	7,034	•	,	4	,	94.232	,	1,910,352
Royalty income : ,	1,383,751	•	•	5,542		,	,	•		•	1,389,293
Event income	2,188,977	3	44,697	38,362	10,600	1,277	٠	15.677	•	•	2,299,590
Other income	1,165,042	11,731	28.277	19.004		,	33	78.166	61 190	•	1 363 442
Program support	•	•		7,872,022	1,665,148	5,131,014	2,500,000	2,426,658	,	(19,594,842)	,
-											
Total support and revenue before transfer	166,113,346	2,529,869	6,895,392	19,689,706	1,676,497	5,896,566	3,889,507	4,042,245	3,083,078	(19,594,842)	194,221,364
Transfer .	(58,550)		,	**1 **1				58,550	٠	,	
Total support and revenue	166,054,796	2,529,869	6,895,392	19,689,706	1,676,497	5,896,566	3,889,507	4,100,795	3,083,078	(19,594,842)	194,221,364
Expenses			•								
Program services	140,337,029	2.203.379	7.100.895	13.196.665	86.679	7.081.204	285 755	977 259 5	3 488 077	(10 504 842)	152 819 600
Management and general	3,772,142	60,356	350,559	305.214	66	88.936	501	238.649	89.573	(Aratrorici)	4.906.079
Fundraising	28,859,208	460,039	643,752	2,844,187	•	13,468	280	83,481	417,065	,	33,321,480
Total expenses	172,968,379	2,723,774	8,095,206	16,346,066	86,778	2,183,608	286,536	3,956,889	3,994,715	(19,594,842)	191,047,109
Annuities and unitrusts	(6,913,583)	(193,905)	(1,199,814)	3,343,640	1,589,719	3,712,958	3,602,971	143,906	(911,637)	•	3,174,255
Realized and unrealized (losses)											
on investments, net	(6,593,234)	(12,814)		•		٠			(56,422)		(6,662,470)
Change in net assets before annuity and pension											
benefits adjustment	(13,506,817)	(206,719)	(1,199,814)	3,343,640	1,589,719	3,712,958	3,602,971	143,906	(968,059)	•	(3,488,215)
Annuity fiablity change in valuation	(2,425,156)	•		•		•		•		٠	(2,425,156)
Pension benefits	5,068,519			•		•		•	•		5,068,519
Change in net assets	(10,863,454)	(206,719)	(1,199,814)	3,343,640	1,589,719	3,712,958	3.602.971	143.906	(968,059)	•	(844,852)
Net Assets (Deficit)											
January 1, 2015 (as restated - see Note 22)	213,579,387	5,945,593	7,226,362	(1,306,824)	(1,501,994)	(3,628,349)	11,838	170,330	13,069,739		233,566,082
Net assets, December 31, 2015	\$ 202,715,933 \$	5,738.874 \$	6.026.548 \$	2.036.816	\$ 87.725 \$	84.609	5 3.614.809 \$	314.236	\$ 12.101.680		\$ 232,721,230
		ŧ					8				

Angua Panasana Panasa

You Changed the World

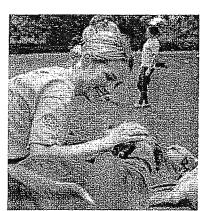
WITH YOUR SUPPORT, WE AND OUR AFFILIATES DIRECTLY HELPED **171,476** ANIMALS—AND DROVE CHANGE FOR MILLIONS MORE

With you by our side, 2015 was the highest impact year in the history of The Humane Society of the United States. Thank you for caring so much about animals. We could not have done this without you. As Kathy Klueh, a monthly donor from Florida, told us, "When we pool our resources we are a force that cannot be stopped."

HUMANE HEROES: Throughout this report, we've highlighted some of the people and organizations that helped us in 2015.

ISLAND CONNECTION: OUR DONORS' STORY

In April, The HSUS and Humane Society International partnered with agencies in Puerto Rico to launch an island-wide initiative to help stray animals struggling to survive. In November, 15 donors came to help provide vaccines, flea/tick preventative and triage at a dog sanctuary, check in animals at an HSI spay/neuter clinic, visit shelters and assist with a stray dog feeding route.





PICTURED ABOVE: Amanda Hearst, Steve Read and Daran Haber helped island dogs. NOT SHOWN: Pia Ackerman, Kami Anderson, Georgina Bloomberg, David Brownstein, Lisa Feria, Marion Look Jameson, Stacey Kivowitz, Colleen Lang, Marti Peretzman, Jerry Rosenthal, Bob Rhue and Courtney Stroum Meagher.

OPPOSITE PAGE: Puppy mills campaign staffer Tara Loller visited with some of the dogs who will be helped by our work on the island.

ON THE COVER: Cecil RIP July 1, 2015. This was an enormous year for our campaign to stop trade in products from endangered and rare animals. Outrage over the killing of Cecil the lion showed how much people around the world care about wildlife.







From the President

The primary measure of a charity is not the headlines in the news or the polish of its publications. Though there's nothing wrong with those outcomes, the key metric is impact: What did we make of your investment of time and treasure and hope?

The HSUS has a duty—we consider it a moral imperative—to make good things happen with your contributions. You have finite dollars. You want them to drive change. So do we.

This report of our work in 2015 tells a story that will make you proud. Your HSUS has made extraordinary, game-changing strides over the past year. We, our global arm Humane Society International and our affiliates continued to provide direct services to more animals.

annually—171,476 in 2015—than any other group. But our biggest impact is winning support among the general public and changing the behavior and standards of corporations and governments when it comes to the treatment of animals.

At The HSUS, we are delivering sweeping changes for many species across many sectors of the economy and around the globe. This report is a compendium of some of these gains. Here are just a few examples of areas in which we delivered victories in 2015.

 WE SECURED MAJOR NEW PROTECTIONS FOR AFRICAN WILDLIFE, especially lions, after a Minnesota dentist lured Cecil from a national park in Zimbabwe and shot him with an arrow. Our response to this lion's killing speaks volumes about The HSUS. We didn't hurl invective. We worked with the world's major airlines and helped to convince more than 40 of them—including all the big U.S. passenger carriers—to stop transporting trophies of the Africa Big Five (elephants, rhinos, lions, leopards and Cape buffalo). If the trophy hunters cannot transport them, they won't kill them in the first place.

- WE ALSO PUSHED THE U.S. FISH AND WILDLIFE
 SERVICE (USFWS) TO ACCEPT OUR PETITION to upgrade protections for lions, and in December the agency announced it would list all African lions as threatened or endangered. American trophy hunters accounted for 85 percent of lion trophies exported from all of Africa, so this classification is of enormous consequence. The agency rule specifically states that lions shot at canned hunting facilities will not be accepted—potentially shutting down this entire industry, which depended almost exclusively on American clients who wanted guaranteed kills of these creatures on fenced-in plots of land.
- THE HSUS DELIVERED ON A LONG-TERM PLEDGE to end the use of chimpanzees in invasive experiments. Over 20 years, we worked with Congress, the National Institutes of Health and the USFWS to make this happen. This year, after a series of major announcements over the last decade, the final blow was struck when the USFWS classified all chimps, including captives, as protected under the highest standards of the Endangered Species Act. We also created a new animal care facility, stepping in and providing care for a colony of 66 chimpanzees abandoned in Liberia by the New York Blood Center, which profited from experiments it conducted on them for decades.
- WE BROUGHT THE NATION SO MUCH CLOSER to ending the extreme confinement of pigs and chickens on factory farms. This was a break-out year for chickens. In addition to seeing California finally implement new laws banning the sale of eggs from battery-caged hens, The HSUS persuaded the biggest buyers of eggs to demand that egg suppliers stop locking their birds in cages. This year alone, we convinced McDonald's, Costco, Starbucks, Taco Bell, Jack in the Box, Qdoba, TGI Fridays, Panera Bread, Aramark, Sodexo, Compass Group, General Mills, Kellogg's, Dunkin Donuts and others to declare cage-free egg policies. Our work with Walmart, America's largest grocery chain, led the company to announce a

policy supporting the "Five Freedoms" of animal welfare, which include giving animals the freedom to express natural behaviors—which they cannot do within the confines of gestation crates and battery cages.

It's been my privilege to serve The HSUS as CEO for the last 11 years, and to serve in other capacities here for a decade prior to that. I came to The HSUS because, more than anything, I felt that the nation and the world needed a strong and determined organization with the power, savvy and resources to drive the debate about our human responsibilities to animals; a group able and nimble enough to work with leaders in government, industry and the whole of society to effect transformational changes.

Your financial contributions to The HSUS and its affiliates—and the rest of your efforts to make the world more humane—matter. Your passion to protect animals and support The HSUS adds up to life-changing outcomes for millions and millions of animals.

We are at a turning point when it comes to the human relationship with animals, and the things we do today and tomorrow will have consequences for decades to come. It's our special responsibility to help. Our cause is not an abstraction. It's not an affectation or a matter of routine. It's a matter of life and death for animals who depend on our ability to act, and to do so with the greatest skill.

The generations before us included people who intentionally acted to make our country and the world a better place. They succeeded, but they left much work for us to do. The baton is in our hands. Run with us. Run fast. Run with purpose.

Follow Wayne on Twitter, Facebook and LinkedIn / @waynepacelle Read Wayne's blog, A Humane Nation, at humanesociety.org/wayne.

> Wayne Pacelle, President and CEO The Humane Society of the United States

Mayon Poulle



A client and her cat attend a Pets for Life event in Philadelphia.

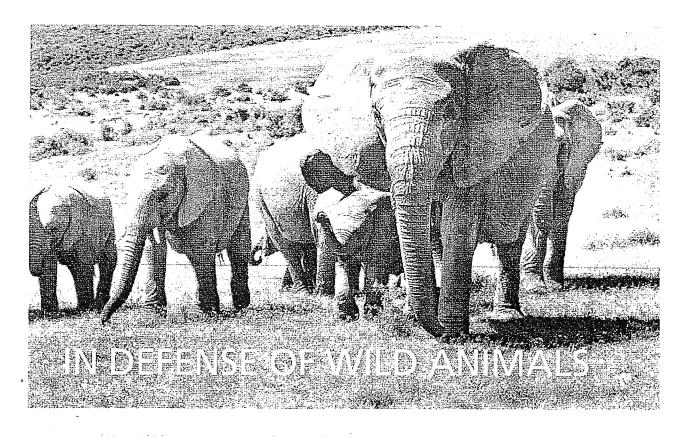
100,000

Our Pets for Life teams helped their 100,000th pet in neighborhoods that lack access to veterinary care, operating programs in Atlanta, Chicago, Los Angeles and Philadelphia and mentoring groups in 31 other communities.

Companion Animal Protection

IT WAS A MILESTONE YEAR IN OUR EFFORTS TO PROTECT COMPANION ANIMALS.

- In Puerto Rico, we launched a landmark program to create a new paradigm
 for animals, training and equipping law enforcement to investigate animal
 cruelty, helping teachers incorporate humane education into curricula
 and bringing new technology and tools to shelters. HSI provided low-cost
 spay/neuter to help stem the tide of homeless animals overwhelming
 island shelters.
- With our support, the U.S. Food and Drug Administration required new safety standards and better manufacturing practices for pet food companies.
 Congress-defunded horse slaughter inspections for a year. And more than a dozen communities repealed policies that unfairly stigmatized certain breeds of dogs.
- Hundreds of shelter and rescue personnel used our resources to keep cats
 in homes, 1,400 people attended our Rethinking the Cat symposia and we
 helped 25 counties and municipalities pass pro-trap-neuter-return ordinances
 and policies. Animal Care Expo attracted a record number of attendees—
 more than 2,300 people from more than 40 countries.
- Ten animal shelters voluntarily closed gas chambers, saving hundreds of animals from an inhumane death. Since we began our campaign against gas chambers in 2013, two-thirds of the gas chambers in the United States have shut down.
- More than 100,000 housing units are part of our new Pets Are Welcome campaign, which targets animal homelessness by working with the apartment industry to create humane, less-restrictive pet policies that keep families together.
- HUMANE HERO: Every team needs people like Djuana Edmond. After
 scheduling neuter surgery for her dog, Djuana volunteered with our Pets for
 Life team to take other people's pets to the veterinarian, knowing transportation was an obstacle for many in her Atlanta neighborhood. She also helped
 us trap, neuter and return community cats.



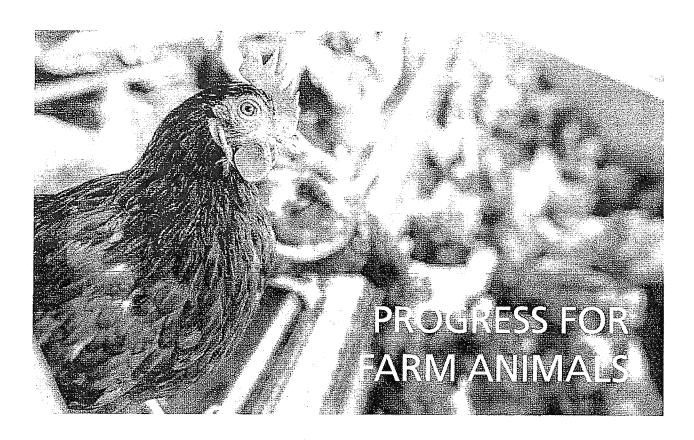
WORLDWIDE, 2015 SAW MOVEMENT TOWARD CELEBRATING AND HELPING WILD -ANIMALS RATHER THAN EXPLOITING THEM.—THE ESSENCE OF A HUMANE ECONOMY.

- We battled trafficking: California banned commercial trade in ivory and rhino horns and Washington restricted trade in parts of rhinos, elephants and eight other species. The United States and China committed to ending ivory trade.
- We fought expanding mountain lion trophy hunts in Colorado, Washington, Nebraska and South Dakota; worked in California to ban bobcat trapping; retained Endangered Species Act protections for gray wolves in the Great Lakes region and Wyoming; and helped gain protections for African lions.
- The U.S. Fish and Wildlife Service banned trade in four constricting snake species.
 We supported a Clark County, Nevada,

- ordinance banning dangerous wild animals as pets, protected California's trade ban on kangaroo parts and helped prohibit shark fin sale, trade, purchase and transportation in Texas.
- The Canadian commercial seal hunt declined to its lowest kill level in a generation, and Europe strengthened its seal trade ban. We filed an amicus curiae brief in a case that prevented the Georgia Aquarium from importing 18 beluga whales.
- HUMANE HERO: Bullhook bans such as those National Council Member Cheri Shankar helped pass in Los Angeles and Oakland convinced Ringling Bros. to phase out elephant acts.

45

After Cecil the Iion was killed, we asked airlines to stop shipping hunting trophies: 45 now ban African Iion, elephant, rhino, leopard and Cape buffalo trophies.



IN 2015, YOU HELPED US PUSH THE BATTLE AGAINST EXTREME CONFINEMENT OF FARM ANIMALS TO A JIPPING POINT WITH VICTORIES HERE AND ABROAD.

- California implemented Proposition 2—which we helped pass in 2008 and subsequently helped defend in court banning battery cages, gestation crates and veal crates.
- The revolution we sparked with Prop 2 led here: 3.5 million hens will be affected as Aramark, Sodexo and Compass Group transition liquid egg supplies to cage-free. Walmart, Compass Group, Aramark and General Mills supported the Five Freedoms of animal welfare. McDonald's, Kellogg's, Nestlé and more announced cage-free timelines, and Costco committed to going cage-free. The second- and third-largest U.S. egg producers will convert their housing. Cargill completed its corporate gestation crate phase-out early, and, in Brazil, the world's largest meat processor will have a gestation-crate-free supply chain by 2025.
- We influenced investors to commit tens of millions of dollars to plant-based food start-ups. At our humane economy symposium, executives from financial groups

- representing \$17 trillion in combined assets discussed negative financial impacts of factory farming.
- We trained 825 food service professionals and generated 75 new meat reduction policies at schools and hospitals, which will spare about 685,000 animals.
- We helped persuade Arizona Governor Doug Ducey to veto a bill weakening protections for farm animals, and we stopped every "ag-gag" anti-whistleblower bill except one.
- HUMANE HERO: Many of our staff start out as interns.
 Gabby Green used her research and writing skills to defeat the ag-gag bills before going to work at HSI.
- "HSUS has almost single-handedly forced pork producers to change their policies."
- Meatingplace, a major meat industry trade journal

The Dog Meat Trade and Street Dogs

THE HSUS AND HSI WORKED TO COMBAT THE CRUEL DOG MEAT TRADE AND IMPROVE THE LIVES OF STREET DOGS.

- HSI helped operators of four South Korean dog meat farms shut down.
 Our Emergency Placement Partners (EPPs) in the United States took in more than 200 rescued dogs we brought over as ambassadors representing the thousands of dogs spared because of these closures.
- In coordination with local Chinese groups, we set up a China Animal Protection Power task force and command center and supported group activity that rescued animals off dog meat traders' trucks.
- We ran multiple street dog projects in India and signed a two-year agreement to vaccinate 350,000 dogs in Haryana against rabies and sterilize at least 69,000. India's Supreme Court ordered the implementation of an animal birth control program across the country. Our India team is helping the Bangladesh government spay/neuter and mass-vaccinate dogs in the capital city of Dhaka, with plans to take the program countrywide.
- In Bhutan, the street dog program is now managed by the government, with HSI monitoring it. The program serves as a model humane solution for population management and disease control for other areas of the world.
- We also support programs in the Philippines, American Samoa, Guam and Saipan, Bolivia, Chile, Puerto Rico, Panama and Malawi. In Canada, we're providing care to dogs in aboriginal communities in northern Quebec.
- HUMANE HEROES: The Humane Society for Southwest Washington,
 San Francisco SPCA and D.C.'s Washington Animal Rescue League all served as hubs to transport dogs from Korea to other EPPs, making our life-saving rescues possible!



Adam Parascandola, director of animal protection and crisis response for HSI, shares a snuggle with a dog rescued from the dog meat trade in South Korea.

65,000

We sterilized 65,000 dogs in Bhutan over six years. Now government-run, the successful program proves countries can humanely manage street dog populations.



Diane enjoys the good life at Chimp Haven sanctuary after being retired from the NIH.

300+

We're helping increase sanctuary capacity so 300+ government-owned chimps can be freed from living in laboratories.

Cruelty-Free Science

OUR EFFORTS TO END THE USE OF ANIMALS IN TESTING AND RESEARCH TOOK MAJOR STRIDES FORWARD.

- We won a long-sought victory when the U.S. Fish and Wildlife Service
 provided Endangered Species Act protections to all chimpanzees, including
 those in captivity—effectively ending invasive medical experiments on them.
 We worked with the National Institutes of Health to ensure they will retire all
 government-owned chimps to sanctuary.
- After The New York Times exposed cruel practices at the U.S. Meat Animal Research Center, we demanded changes. The USDA, at Congress's urging, temporarily stopped new experiments at USMARC and improved animal welfare standards. All federal agricultural research facilities are now subject to inspection.
- Congress denied funding for the USDA's licensing of Class B animal dealers, who sell "random source" dogs and cats for use in research, often obtaining them from animal shelters, flea markets or "free to a good home" ads.
- New Zealand banned cosmetics testing on animals. Turkey banned such testing where a validated alternative exists, effective January 2016, and South Korea's partial ban takes effect in 2018.
- HSI held its first BioMed21 (Biomedical Research for the 21st Century) event.
 The initiative, to re-orient research funding towards human-biology-based methods, is supported by leading scientists.
- HUMANE HEROES: We led a coalition to save 66 chimpanzees abandoned
 in Liberia by the New York Blood Center after decades of experimentation
 and urged NYBC to honor its commitment to the animals. Great ape consultants Jenny and Jim Desmond evaluated the situation, organized operations,
 implemented a new and varied diet for the chimpanzees and instituted daily
 feedings. The Desmonds, along with a local team, continue to work with
 The HSUS to improve care, build relationships with government and local
 conservation groups and develop plans for a Liberian chimpanzee sanctuary.

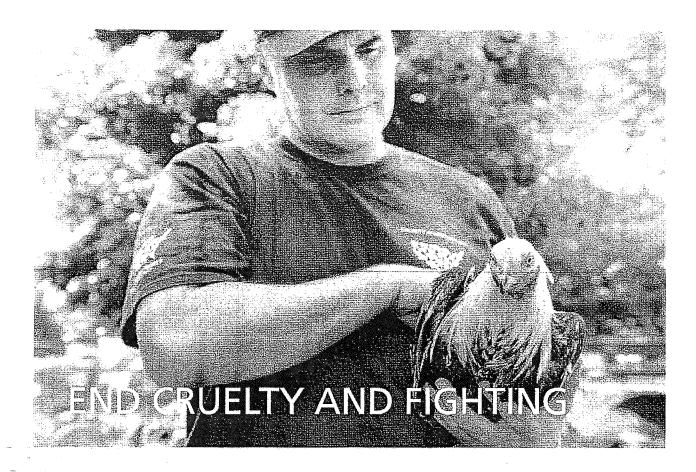


YOUR SUPPORT ALLOWED THE HSUS AND OUR AFFILIATED CARE CENTERS AND PROGRAMS TO HELP 171,476 ANIMALS IN 2015.

- Our Animal Rescue Team responded to a variety of situations, such as a North Carolina hoarding case with 23 dogs, 135 cats, 11 horses, 13 birds, two cows, nine goats, one pig and more than a dozen fowl; 250 birds at a suspected cockfighting breeding site in Maryland; 13 horses and assorted other animals in a West Virginia cruelty case; dogs with icicles in their fur at an Arkansas puppy mill; and 65 dogs discovered by officers investigating hog-dog fighting in Alabama.
- We helped treat animals injured by wildfires that engulfed parts of Northern California. After Hurricane Joaquin, Greenville County Animal Care served as our hub to place more than 280 adoptable animals with shelters on the East Coast, clearing room in South Carolina shelters for pets displaced by flooding.
- Our Humane Wildlife Services, Prairie Dog Coalition and wildlife responders helped more than 3,400 animals,

- including 1,032 gopher tortoises at risk of being buried alive by new construction in Florida. We helped more than 1,200 communities coexist with wildlife.
- Our Humane Society Veterinary Medical Association Rural Area Veterinary Services program provided care to 7,873 animals in the United States and Latin America, and HSI responded to a major earthquake in Nepal and flooding in Chennai, India.
- HUMANE HEROES: Member Howard Berk and Friends of Finn hosted a gala in New York City to raise more than \$1 million for our rescue response.

Swift response saves lives, as when we helped a South Carolina sheriff stop a cockfight in progress, rescuing 122 birds and 11 dogs.



WE WORKED TO STRENGTHEN LEGAL PROTECTIONS FOR ANIMALS, PROMOTE ENFORCEMENT AND INCREASE AWARENESS OF ANIMAL PROTECTION ISSUES.

166

We helped save 166 neglected dogs and cats on the grounds of what used to be a nonprofit rescue sanctuary in Ohio.

- We trained 2,260 law enforcement officials from 650 different agencies in such topics as cruelty and fighting investigations and animal handling.
- After HSI and other groups protested the mass animal sacrifice at Nepal's Gadhimai Festival, organizers said the sacrifice would not happen again.
- We improved protections for animals:
 Tennessee increased penalties for attending or bringing a child to an animal fight, Utah made repeat cockfighting offenses a felony and Pennsylvania and Vermont banned cockfighting paraphernalia. New Jersey banned sexual
- activities with animals. The U.S. Supreme Court elected not to hear an appeal of a ruling upholding a federal law on "crush videos" that we had helped enact and protect in the courts.
- HUMANE HERO: When authorities
 call us in to assist with large-scale cases,
 we often need volunteers to help us
 provide daily animal care and enrichment. Deborah Eizinger exemplifies our
 volunteers' devotion to animals. When
 65 dogs were seized during a hog-dog
 fighting bust in Alabama, she made four
 trips, traveling more than 600 miles each
 way, to our temporary shelter to help.

Investigating and Uncovering Cruelty

INVESTIGATIONS HAVE ALWAYS BEEN A PRIORITY FOR THE HSUS, HELPING EXPOSE CRUELTY, EDUCATE PEOPLE AND DOCUMENT THE NEED FOR CHANGE.

- Once again we exposed a prominent Tennessee walking horse industry figure at the center of rampant abuse, documenting staff applying caustic chemicals to the legs of more than 20 horses at ThorSport Farm in Tennessee to force an artificially high-stepping gait in competition.
- Our investigation of a Hillandale Farms egg production facility revealed food safety concerns and horrific cruelty. The exposé bolstered our corporate outreach campaign, which in 2015 persuaded more than 50 food industry companies to move away from battery cages.
- An investigation in Minnesota showed the inhumane slaughter of "spent" hens, formerly egg-laying birds who are no longer commercially profitable.
 This was the first investigation of a spent-hen slaughterhouse in the country.
- We released a new exposé on the American Kennel Club's connection to puppy mills, conducted a national investigation into flea market sales of mill dogs and investigated puppy sales in Georgia.
- At Tiger Safari in Oklahoma and Natural Bridge Zoo in Virginia, we exposed
 indiscriminate breeding of tigers, cruel treatment of cubs exploited for photo
 ops, rampant trade in cubs for public handling and cubs dumped when
 they stopped being profitable. The U.S. Department of Agriculture cited
 both facilities for Animal Welfare Act violations, and the state of Virginia
 suspended Natural Bridge Zoo's exhibition permit, delaying its spring opening.
- HUMANE HEROES: Undercover investigators gather evidence of animal cruelty at great personal risk. We can't tell you their names, but please join us in saluting them for working to make the world more humane.



In Tennessee, an undercover investigation revealed that abuse is still practiced in the walking horse industry.

236,000

More than 236,000 people viewed our troubling tiger-cubhandling video, which generated 47,539 online actions from our supporters, such as calling for a ban on public contact with big cats, bears and primates.



Veterinary technician Billie Salvers feeds a Northern gannet at Cape Wildlife Center, where volunteers pitch in to lighten the workload

HUMANE HERO: Steve "Quahoo" Dunbar in always be counted on to help. Quahog (his nickname comes from the local hardshelled clams he harvests and brings in to feed patients) has amassed more than 2,400 hours of service since 2009.

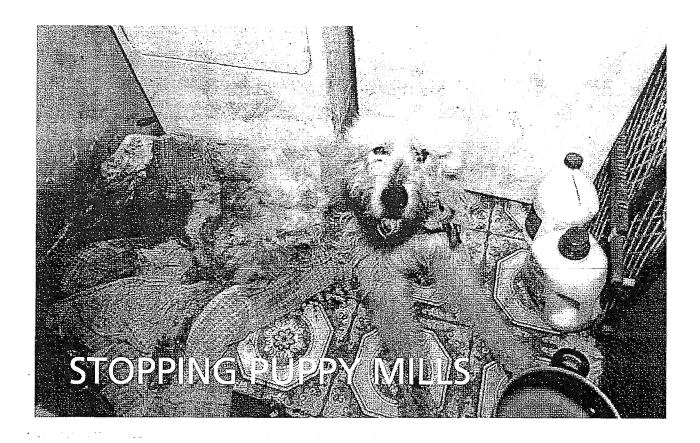
17,287

Staff and volunteers cared for 17,287 animals at our affiliated care centers this year, rehabilitating and rehoming animals, offering sanctuary or preparing them to return to the wild.

Providing a Place to Heal and Thrive

OUR MISSION—CELEBRATING ANIMALS, CONFRONT-ING CRUELTY—COMES TO LIFE AT OUR AFFILIATED CARE CENTERS.

- Cape Wildlife Center in Barnstable, Massachusetts, treated and rehabilitated 1,700 animals, including a growing number of rabies vector species such as foxes, bats, fishers and raccoons. The center offered statewide training for animal control officers and hosted a conference on lead toxicity.
- The 800-plus residents of Cleveland Amory Black Beauty Ranch in Murchison. Texas, include a sulcata tortoise who had received inadequate care as a pet but now enjoys tunnels, a wading pool and a heated warming shed.
- Miniature horses joined the adoptable equines at Doris Day Equine Center in Murchison, as did eight burros removed from public lands by the Bureau of Land Management.
- Nearly 200 equines call Duchess Sanctuary, near Oakland, Oregon, home. Two new horses came from a local animal control seizure. We look forward to watching them blossom as they regain their health and spirit.
- The Fund for Animals Wildlife Center in Ramona, California, filled a papier-mâché "beehive" with honey to teach bear cubs to find food. Many of the center's 600 patients, including hawks, osprey, bobcats and bears, return to the wild after treatment and rehabilitation.
- South Florida Wildlife Center in Fort Lauderdale assisted more than 13,500 animals, making it the largest wildlife trauma hospital in the country.
- We unexpectedly took on the care of more than 60 chimpanzees in Liberia. [See page 8.] The on-the-ground effort transformed from a crisis situation to a long-term sanctuary facility that meets high standards of care. The new Liberia Chimpanzee Rescue can provide care for chimpanzees confiscated from the pet trade and help protect wild chimps.



WE'VE HELPED MAKE IT INCREASINGLY TABOO TO BUY A PUPPY MILL DOG FROM A PET STORE OR OVER THE INTERNET.

- With Maddie's Fund, we launched an aggressive campaign to expose the link between puppy mills and Internet puppy sales. More than 1 million people visited samedaypups.com and about 6 million viewed our satiric "drone delivery" video.
- More than 5,000 dogs have been adopted through our Puppy Friendly Pet Store conversion program, which helps stores stop selling puppies from mills and partner with shelters or rescues instead.
- A mill operator we identified in our 2015
 Horrible Hundred report pleaded guilty to
 animal cruelty and practicing veterinary
 medicine without a license. In addition to
 probation, a fine and community service,

- she had to surrender all kennel-related licenses and have no contact with animals.
- Through our Breeder Surrender Fund, we provided veterinary assistance for 270 dogs confiscated from or discarded by puppy mills.
- Louisiana, Nebraska, New Jersey, Pennsylvania and Virginia passed new laws, and 41 localities restricted the retail sale of puppy mill dogs. Our legal team helped defend five such bans.
- HUMANE HERO: National Council
 Member Christian Keesee drove an
 initiative we're developing to train
 Oklahoma inspectors and animal control
 officers in 2016.



Here's Duffy, before and after we rescued him from a puppy mill. Using online ads, we intercepted about 65,000 people looking for a puppy online, sending them to our webpage about Internet puppy sales and mills.



HEROES INSPIRE YOU TO WORK HARDER, DO BETTER AND ACHIEVE MORE. OUR HEROES ARE OUR VOLUNTEERS, ADVOCATES AND YOU!

- To make national progress for animals, it helps to have local and state victories to build on. Dan Spehar, an HSUS district leader volunteer in Ohio, strengthens protections for animals by developing relationships with federal and state legislators. He relays the humane position on issues and publicly shares his appreciation when they support animals. Dan is also a wonderful resource for other Ohioans, serving as keynote speaker at the 2015 NE Ohio Feral Cat Summit and assisting at our Rethinking the Cat symposium in Columbus. Our district leaders help change the world for animals.
- If you're interested in volunteering with The HSUS, there
 are many ways to connect with us—from helping animals
 at our care centers, to serving with our rescue and
 response teams, to organizing events and grassroots
 outreach in your community, to pitching in as a district
 leader or state council member and more.
- Some volunteers devote significant amounts of personal time, using their vacations to help our Animal Rescue
 Team care for rescued animals. But your commitment doesn't have to be time-consuming. In 2015, HSUS supporters sent millions of messages to decision makers on topics such as horse slaughter, the fur trade, trophy hunting, puppy mills, breed-specific legislation and the extreme confinement of farm animals—proving that animal welfare is a mainstream concern, not a niche issue.
- Faith outreach, veterinary medicine, administrative support: Whatever your specific interest or expertise, you can use what you know to help us protect animals.

PERSONAL PROPERTY.

Learn more about volunteering to help animals at *humanesociety.org/volunteer*.

Our Volunteer Leadership

BOARD OF DIRECTORS

er er i disk e tangatatur, ter

Jeffrey J. Arciniaco, Boca Raton, Florida Eric L. Bernthal, Esq., Washington, D.C. Erika Brunson, West Hollywood, California Jerry Cesak, La Jolla, California Anita W. Coupe, Esq., Biddeford Pool, Maine Neil B. Fang, Esq., CPA, Hewlett Neck, New York Jane Greenspun Gale, Las Vegas, Nevada Spencer Haber, Greenwich, Connecticut Amanda Hearst, New York, New York Cathy Kangas, New Canaan, Connecticut

Paula A. Kislak, D.V.M., Santa Barbara, California Charles A. Laue, Kansas City, Kansas Jennifer Leaning, M.D., S.M.H., Lincoln, Massachusetts Kathleen M. Linehan, Esq., Washington, D.C. John Mackey, Austin, Texas Mary I. Max, New York, New York Patrick L. McDonnell, Princeton, New Jersey C. Thomas McMillen, Washington, D.C. Judy Ney, New York, New York, New York Sharon Lee Patrick, New York, New York

Marsha R. Perelman, Philadelphia, Pennsylvania Marian G. Probst, New York, New York Jonathan M. Ratner, Shaker Heights, Ohio Joshua S. Reichert, Ph.D., Washington, D.C. Walter J. Stewart, Esq., Washington, D.C. Andrew Weinstein, Washington, D.C. Jason Weiss, Pacific Palisades, California Suzy Welch, North Palm Beach, Florida David O. Wiebers, M.D., Overland Park, Kansas

OFFICERS

CHICE SECURITIES OF THE SECURI

Eric L. Bernthal, Esq., Chair of the Board Jennifer Leaning, M.D., S.M.H., Vice Chair Jason Weiss, Second Vice Chair Kathleen M. Linehan, Esq., Board Treasurer Wayne Pacelle, President and CEO Michael Markarian, Chief Operating Officer G. Thomas Waite III, Treasurer and CFO Andrew N. Rowan, Ph.D., Chief International Officer and Chief Scientific Officer Roger A. Kindler, General Counsel, Vice President, and CLO Amy C. Rodgers, Secretary Michaelen Barsness, Controller and Deputy Treasurer Theresa Cannon Reese, Second Deputy Treasurer Arnold Baer, Ássistant Treasurer Sarah Redding, Assistant Treasurer Carol England, Assistant Secretary Donna L. Mochi, Assistant Secretary

NATIONAL COUNCIL

DOZECZ SZUPZEJSKOGO

Joyce Doria, Chair, Potomac, Maryland Howard Berk, Scarsdale, New York James D. Berwind, West Palm Beach, Horida Jennifer Fagá, D.V.M., Montauk, New York Linda Goddard, Essex, Connecticut Frances Hayward, East Hampton, New York

Christian K. Keesee, New York, New York; Oklahoma City, Oklahoma Stacey Dorfman Kivowitz, Dallas, Texas Ardath Rosengarden, Boca Raton, Florida Richard Schechter, Wellington, Florida Breanna Schultz, New York, New York Jordan Schultz, New York, New York Cheri Shankar, Beverly Hills, California Alanna Tarkington, Solvang, California



THE SOURCE OF OUR STRENGTH: A DONOR'S STORY

Clova Abrahamson lives by the words of Edmund Burke: "Nobody made a greater mistake than he who did nothing because he could only do a little." She started young: At age 4, Clova rescued a starving kitten. With her mother's help, she fed him with her doll's bottle. In the 1970s, she and her late husband, Abe, volunteered at a local shelter, leading to a chance meeting with an HSUS staffer—"a life-changing event." Today, Clova is part of our Oklahoma State Council. She named The HSUS as a beneficiary in her estate plan because we have "the strength and the expertise to take on issues that are too large for any local humane group to tackle." Our strength comes from people like Clova who know that a little help makes a big difference.

Financial Operations Report

For the Year Ending December 31, 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Total Assets	\$278,604,306
Fixed assets, net of depreciation	30,777,331
Investments, at market value	209,861,110
Prepaid expenses, deferred charges, and deposits	2,087,927
Receivables	22,334,601
Cash and cash equivalents	\$13,543,337

Total Liabilities and Net Assets	\$278,604,306
Total Net Assets	\$232,721,230
Permanently restricted	30,740,204
Temporarily restricted	46,502,429
Unrestricted	\$155,478,597
Net Assets	
Liabilities	\$45,883,076

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

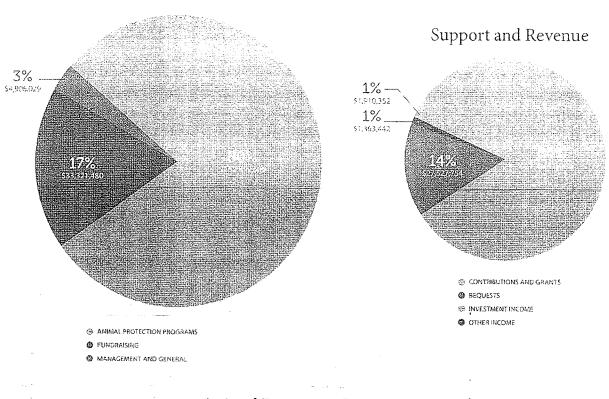
Support and Revenue	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Contributions and grants	\$119,824,216	\$43,595,600	·	\$163,419,816
Bequests	22,261.927	5,265,827	AMANA	27.527,754
Investment income	1,788,706	121,646		1,910,352
Other income, net	1,184,038	179,404	_	1,363,442
Net assets released from restrictions	43,518,885	(43,493,885)	(25,000)	
Total Support and Revenue	\$188,577,772	55,668,592	(\$25,000)	\$194,221,364
Operating and Supporting Expenses				
Animal Protection Programs				
Education and awareness	\$58,071,448	_	_	\$58,071,448
Direct care and service	45,845,880	_		45,845,880
Public policy and enforcement	38,204,900			38,204,900
Corporate policy	10,697,372	Name .	-	10,697,372
Supporting Services			•	
Management and general	4,906,029	water.	_	4,906,029
Fundraising	33,321,480	-		33,321,480
Total Operating and Supporting Expenses	\$191,047,109	-		\$191,047,109
Change in Net Assets from Operating Activities	(52,469,337)	\$5,668,592	(\$25,000)	\$3,174,255
Non-operating Activities				
Realized and unrealized gains and losses	(\$6,388,273)	(\$274,197)	_	(\$6,662,470)
Annuity liability change in valuation	(2, 364, 881)	(60, 275)		(2,425,156)
Pension related charges other than				
net periodic pension cost	5,068,519			5,068,519
Change in Net Assets	(\$6,153,972)	\$5,334,120	(\$25,000)	(\$844,852)
Net Assets at Beginning of Year	\$161,632,569	\$41,168,309	\$30,765,204	\$233,566,082
Net Assets at End of Year	\$155,478,597	\$46,502,429	\$30,740,204	\$232,721,230

The numbers represented above are based on the audited financial statements available at humanesociety.org/annualreport.

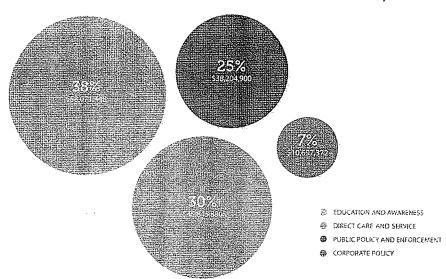


The HSUS is approved by the Better Business Bureau's Wise Giving Alliance for all 20 standards for charity accountability and was named by Worth magazine as one of the 10 most fiscally responsible charities.

Operating and Supporting Expenses



Animal Protection Programs



This report was printed on the yelled paper from moved vources with at least 10% postconsumer waster 100% of the energy used was offset by renewable energy coulds.

A Humane Society Starts with You

"HSUS fights the good fight on all levels, from rescuing abandoned, neglected, abused pets, to pressing those in power to do the right and humane thing by passing and upholding local and national laws that protect all wildlife on our planet.

I am so grateful to be able to support their efforts. Thank you, HSUS!"

—Linda Russo, a monthly donor from South Carolina

VOLUNTEER

From animal care to administrative support, you have a choice of ways to help us protect animals; go to *humanesociety.org/volunteer*.

LEARN MORE

Read our award-winning member magazine, All Animals—see humanesociety.org/magazine.

TAKE FAST ACTION

Text **SIXTY** to **30644** to receive alerts when animals urgently need you to call, click or text on their behalf.

SHARE VIDEOS OF OUR RESCUES AND INVESTIGATIONS

Raise awareness about animal welfare by sharing our videos at youtube.com/hsus.

DONATE

Every gift, no matter the size, protects animals.

Learn more at *humanesociety.org/donate* or call **866-720-2676**.

For Humane Leader gifts, bequests, gift annuities or gifts of stock or to speak with your regional philanthropy officer, call **800-808-7858**.

